

MONTHLY MONITORING

OF MAIN INDICATORS
OF THE BUDGET SYSTEM OF UKRAINE
AS OF APRIL 1, 2017



The Monitoring of Main Indicators of Budget System of Ukraine is a monthly publication prepared based on the data of official statistics. It contains a brief analysis and selections of graphs and charts illustrating the main changes occurring in the budget system of Ukraine.

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Monitoring of the Execution of the Consolidated, State and Local Budgets in Ukraine

- **The actual intake of revenues of the consolidated budget of Ukraine** totaled UAH 220.5bn in January-March 2017, which is UAH 57.1bn or 34.9% more year-on-year.
- **The state budget** received UAH 173.3bn in the same period, which is UAH 44.9bn or 35.0% more year-on-year. This amount equals 23.8% of the plan for the year. In the last ten years, the share of first quarter revenues in the total annual revenues amounted to 21.7%. As such a level of revenues may point to a high likelihood of exceeding the annual target, this could be used as grounds for revising the budget revenue indicators.

Both tax and non-tax revenues increased. In particular, the amounts of revenues increased from all of the main sources of tax revenues, except for the enterprise profit tax (down UAH 1.5bn or 10.4%). The amounts of revenues from the remaining tax sources grew: The value-added tax on goods made in Ukraine rose by UAH 12.0bn or 33.7%, VAT on imports was up by UAH 16.5bn or 41.7%; personal income tax climbed by UAH 3.4bn or 26.7%; excise tax revenue was up by UAH 3.8bn or 20.1%. The highest growth was in the rent and fees for the use of other natural resources, which provided UAH 7.7bn or 60.7% more than last year.

The amount of non-tax revenues also increased (by UAH 3.2bn or 29.3%). Notably, unlike last year, all components of this type of budget revenue also increased.

- **Consolidated budget expenditures** totaled UAH 216.5bn in January-March 2017, which is 35.3% or UAH 56.5bn more year-on-year. In March 2017, expenditures totaled UAH 92.3bn, which is 17.8% or nearly UAH 14.0bn more than in March 2016.

Compared to 2016, the amounts of consolidated budget expenditures increased for nearly all items under the functional classification of expenditures.

The highest growth (1.7 times against March 2016) was in expenditures for environmental protection, which reached UAH 572.9mn. Expenditures grew for housing and communal services (54.5%), economic activity (47.8%), education (42.3%), general government functions (38.5%), spiritual and physical development (38.2%), and healthcare (31.9%). The expenditures also increased for public order, security, and the judiciary (43.0%) and social protection and social security (3.5%).

Defense spending decreased by 0.6%.

- **The actual expenditures of the state budget of Ukraine** totaled UAH 184.6bn in January-March 2017, which is 31.7% or UAH 44.4bn more year-on-year. In March 2017, expenditures totaled nearly UAH 74.0bn or 10.0% more than in March 2016.

In terms of **functional classification**, the following changes in expenditure items occurred compared to March 2016:

- expenditures for general government functions, other than expenditures for state debt servicing, increased by 26.9% to UAH 2.0bn. The expenditures for state debt servicing totaled UAH 19.3bn, having increased by 11.7% year-on-year;
- expenditures for defense decreased by 0.6% to UAH 5.2bn;
- expenditures for public order, security, and the judiciary increased by 15.7% to UAH 6.2bn;
- expenditures for economic activity increased by 22.2% to UAH 1.8bn;
- expenditures for environmental protection increased 2.0 times to UAH 521.1mn;
- expenditures for housing and communal services increased by 68.3% to UAH 1.0mn;
- expenditures for healthcare increased by 5.8% to UAH 1.0bn;

- expenditures for spiritual and physical development increased by 86.3% to UAH 629.1mn;
- expenditures for education increased by 18.8% to UAH 4.6bn; and
- expenditures for social protection and social security decreased by 11.4% to UAH 11.8bn.

The expenditures for financing pensions, bonuses, and extras to the pensions awarded under pension programs and the deficit of the Pension Fund totaled UAH 11.1bn, which is 11.0% more year-on-year.

- The state budget proceeds **from repaid loans** totaled UAH 702.0mn in March of this year, including revenues of the General Fund of the state budget of UAH 679.0mn.

The state budget **provided loans** for the total of UAH 544.2mn in March 2017.

The state budget deficit amounted to UAH 11.1bn this month.

Repayment of the state budget debt principal totaled UAH 4.3bn in March 2017. Internal debt repayment amounted to UAH 3.6bn, and external debt repayment amounted to UAH 637.4mn.

State borrowing totaled UAH 15.7bn, including internal market borrowing of UAH 15.2bn. External sources **provided loans** totaling UAH 0.5bn, which were credited to a special fund for financing joint development projects with international financial institutions.

The state budget received UAH 4.7mn from the **privatization of state property** in March 2017.

- **Local budget revenues (without inter-budget transfers)** totaled UAH 47.2bn in January-March 2017, which is 34.5% more year-on-year.

In March 2017, these revenues amounted to nearly UAH 16.2bn, which is 19.2% more year-on-year. As usual, the personal income tax was the single largest source of revenue for local budgets. It generated nearly UAH 8.5bn in March. Local taxes and fees provided more than UAH 3.1bn.

The highest growth of revenue by region was in Ternopil Oblast, where it rose 47.9% year-on-year. Revenue declined in two regions: Zaporizhzhia Oblast and the city of Kyiv at -1.8% and -6.2%, respectively.

- **Local budget expenditures (without inter-budget transfers)** totaled nearly UAH 108.0bn in January-March 2017, which is 67.5% more year-on-year.

Expenditures increased by 37.0% in March 2017 in year-on-year terms and totaled UAH 39.1bn. The largest amounts of local budget expenditures were allocated for social protection and social security, education, and healthcare. They amounted to UAH 14.0bn (or 35.7% of all local budget expenditures), UAH 11.7bn (or 30.0%), and UAH 6.7bn (17.2%), respectively.

The highest growth rate by region was in Rivne Oblast, where expenditures nearly doubled on year-on-year terms. The lowest growth of expenditures (6.7%) was in Poltava Oblast.

State Budget Revenue

Graph 1

State Budget Total Revenue Monthly Trends in 2012–2017 (Less Intergovernmental Transfers)

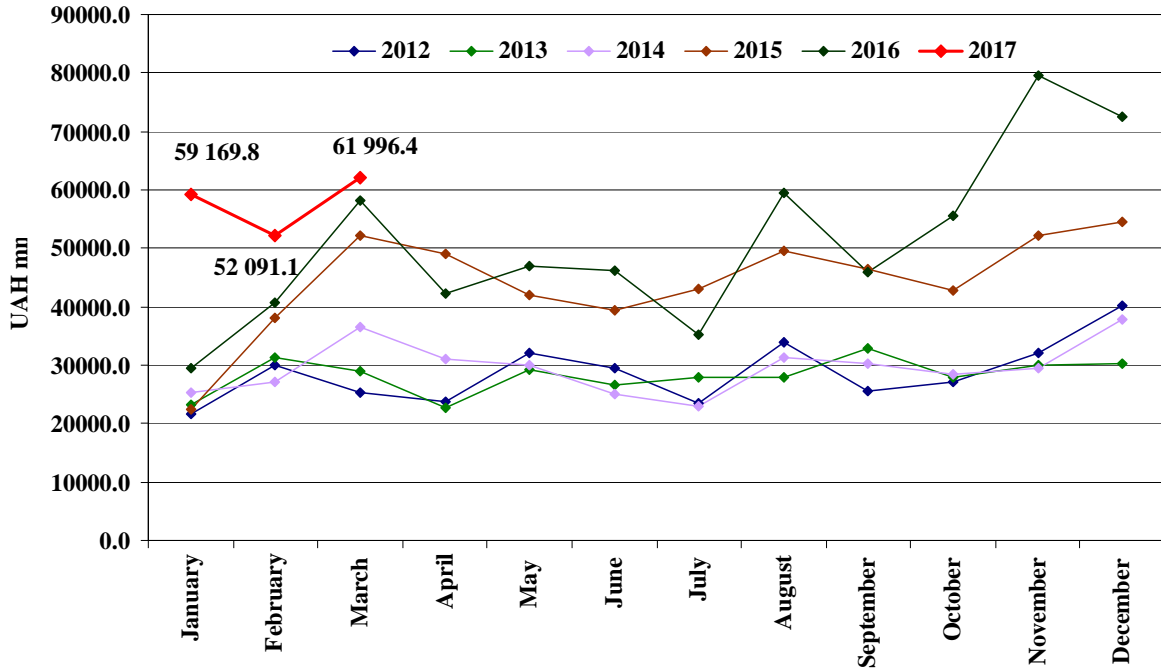
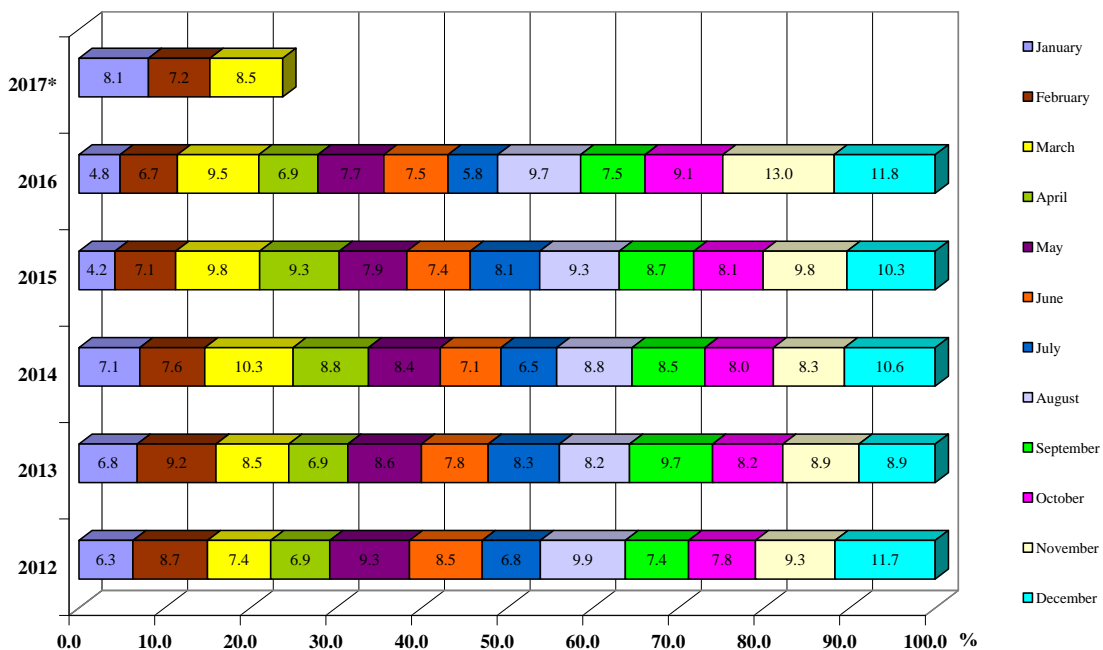


Diagram 1

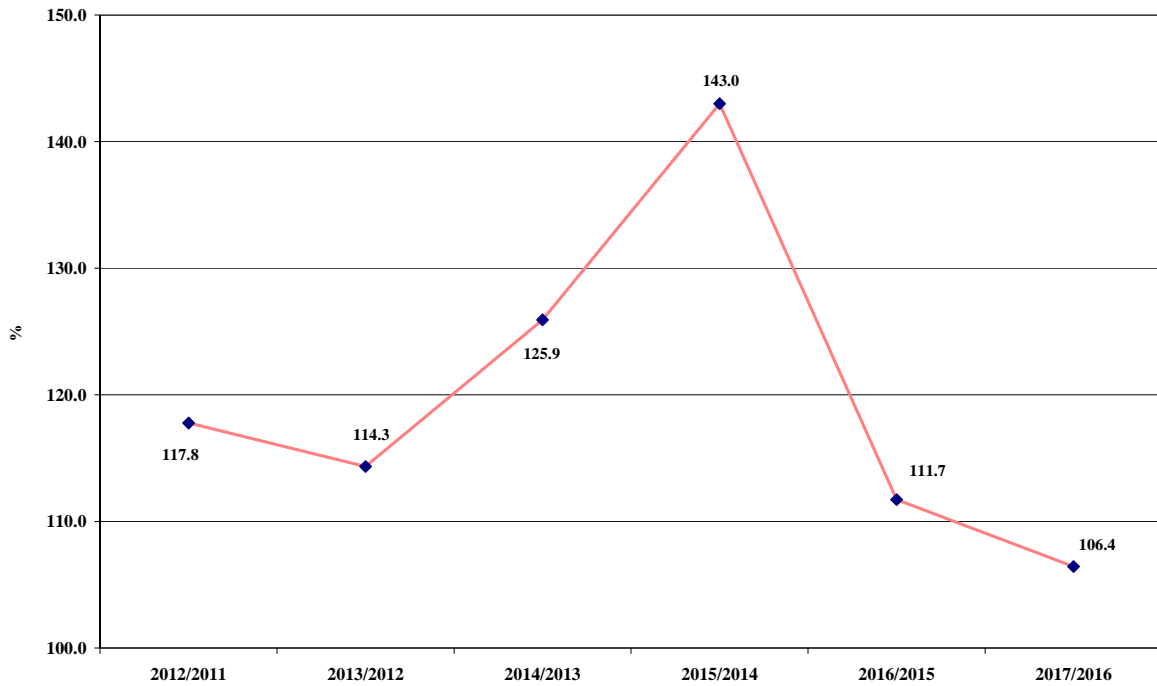
Dynamics of the Share of Ukraine's State Budget Revenue in Annual Amounts in 2012–2017



* A share of total revenues according to the planned annual index

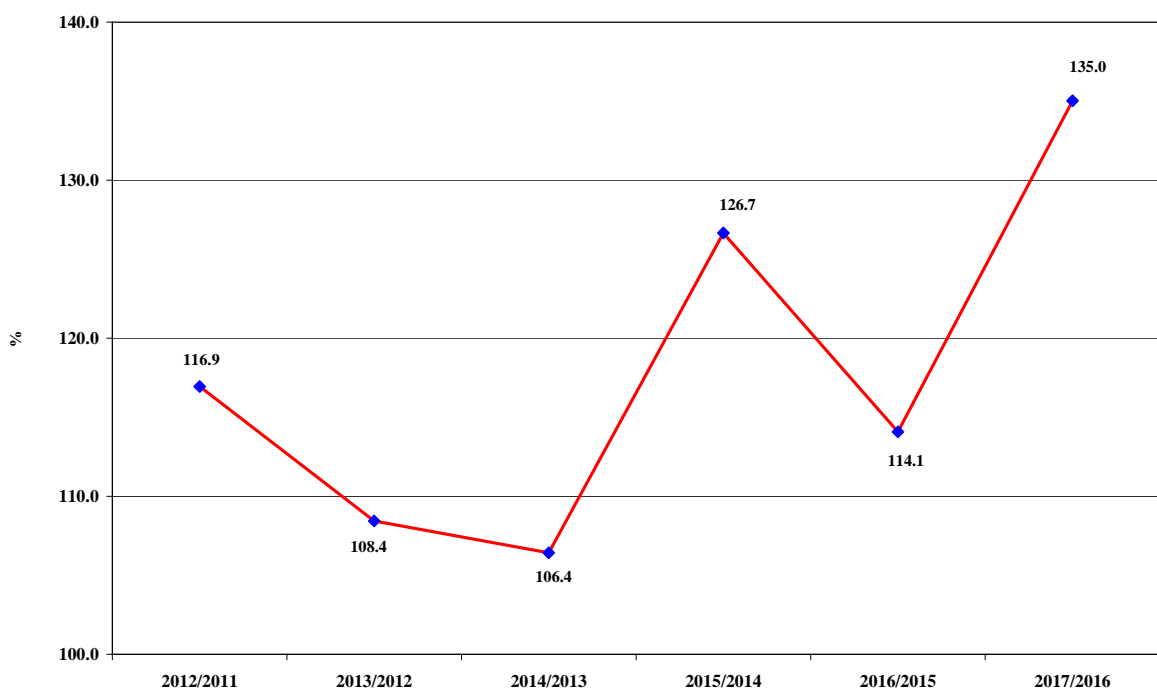
Graph 2

Growth Rates of Ukraine's State Budget Revenue in March 2012–2017



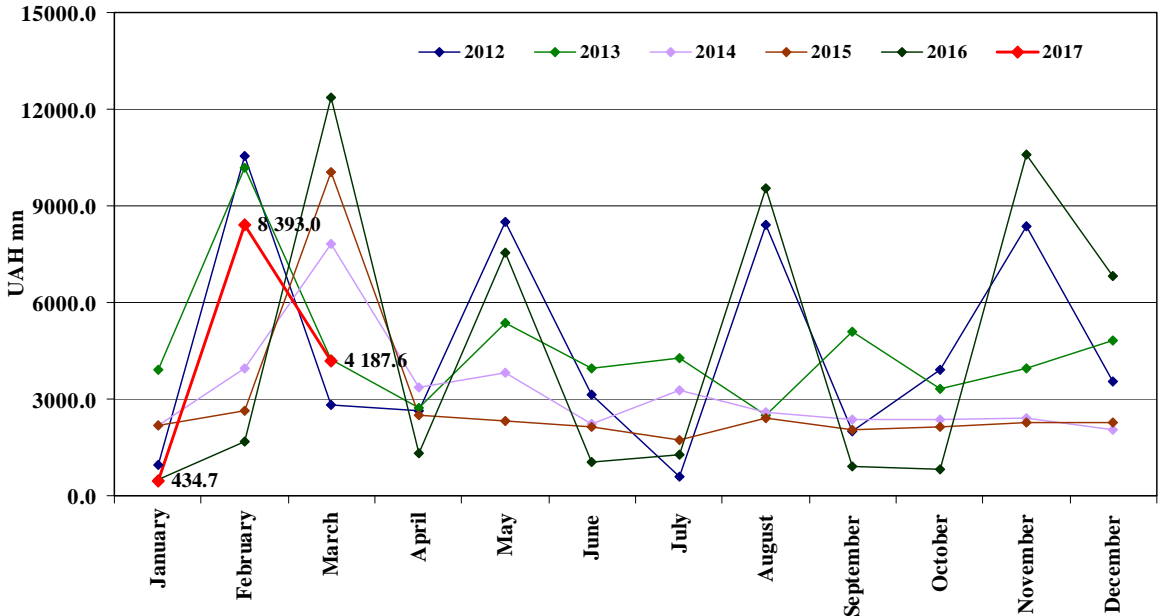
Graph 3

Growth Rates of Ukraine's State Budget Revenue in January-March 2012–2017



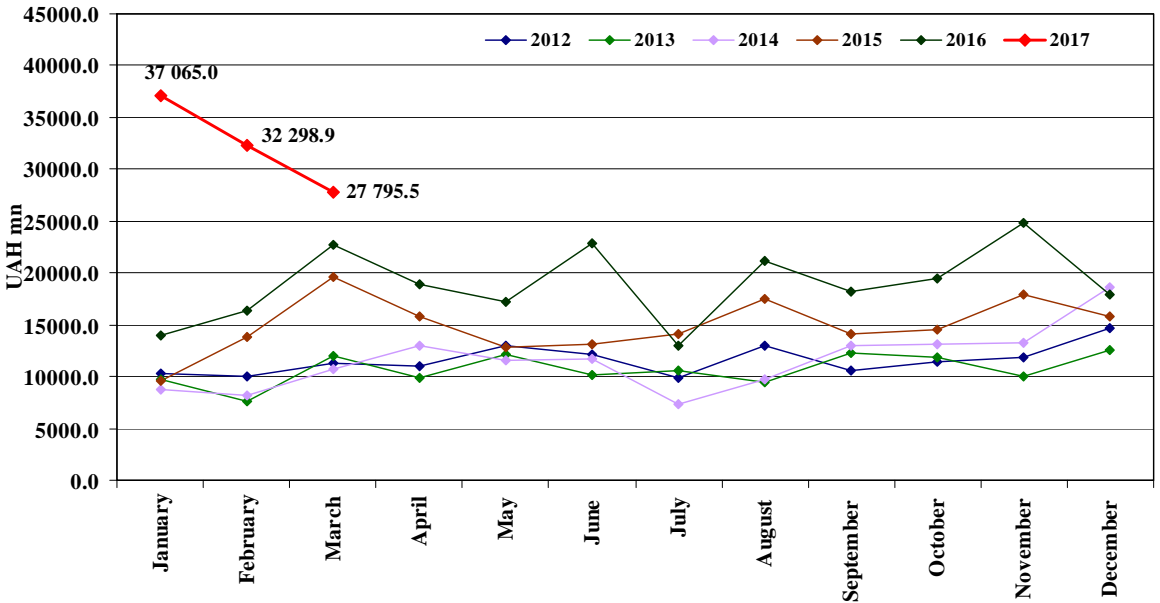
Graph 4

State Budget Enterprise Profit Tax Monthly Trends in 2012–2017



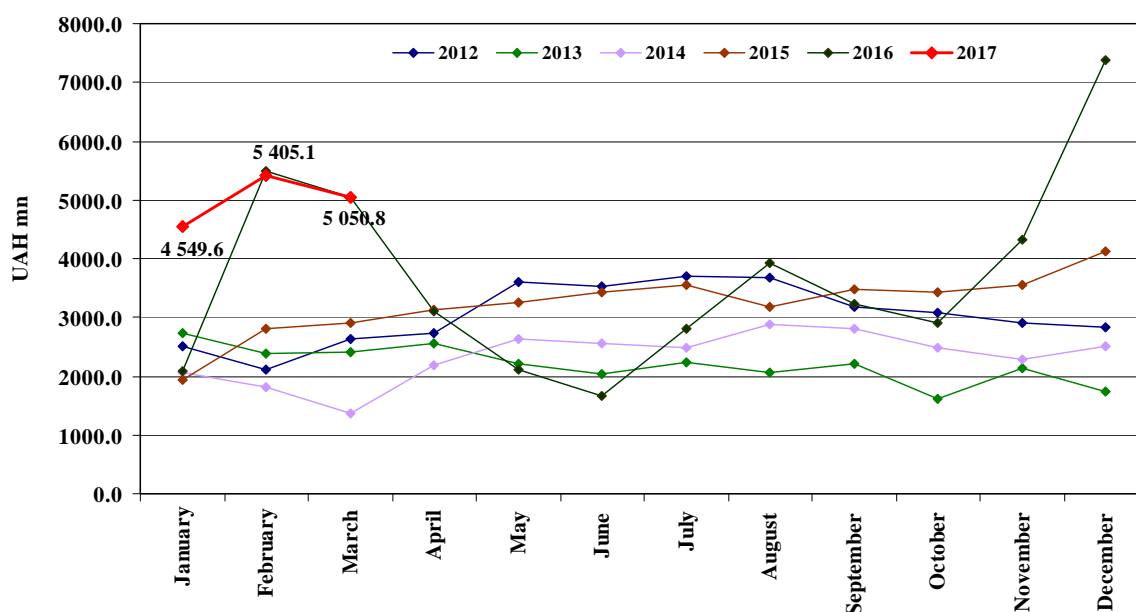
Graph 5

State Budget Value Added Tax Monthly Trends in 2012–2017



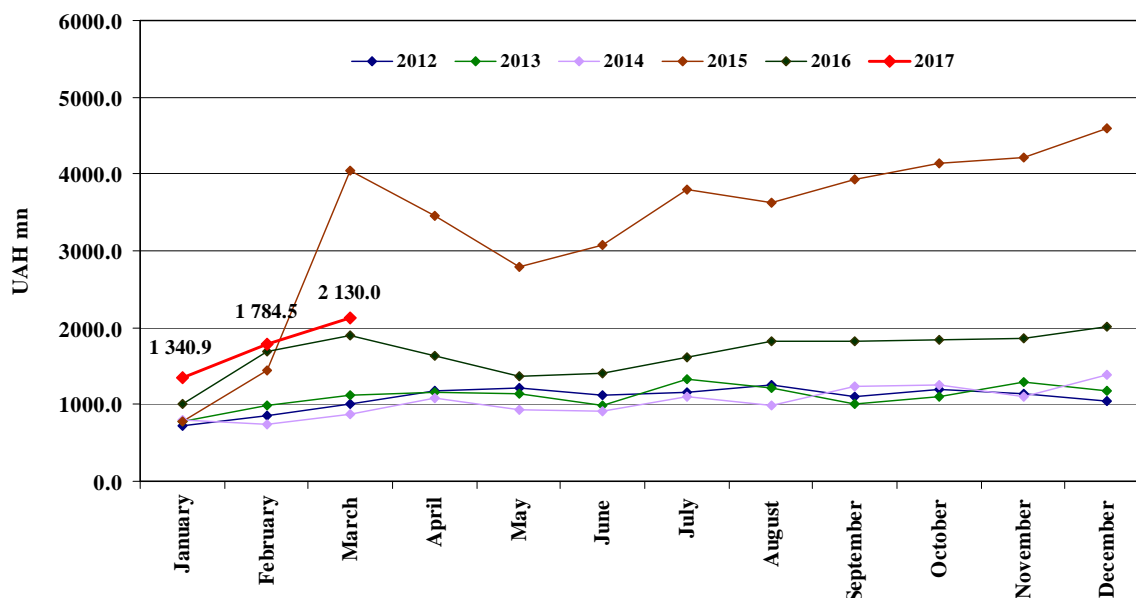
Graph 6

Dynamics of Monthly State Budget Revenues from Excise Tax on Excisable Goods Made in Ukraine in 2012–2017



Graph 7

Dynamics of Monthly State Budget Revenue from Import Duties in 2012–2017



Local Budget Revenue

Graph 8

Local Budget Revenue Monthly Trends (Less Intergovernmental Transfers) in 2012–2017

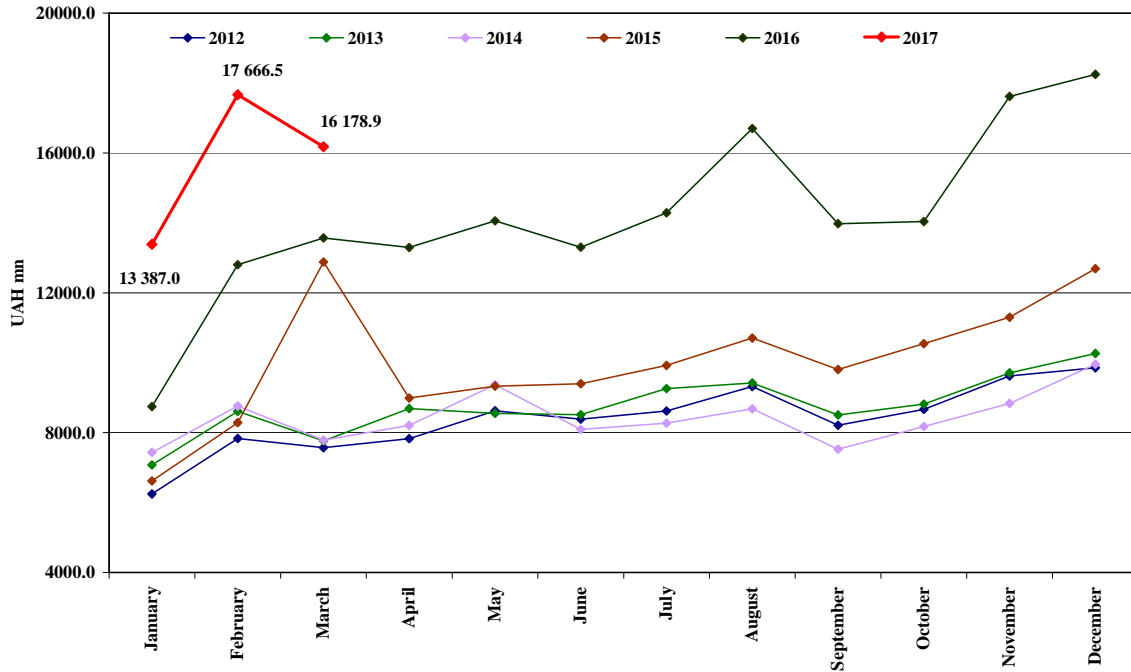
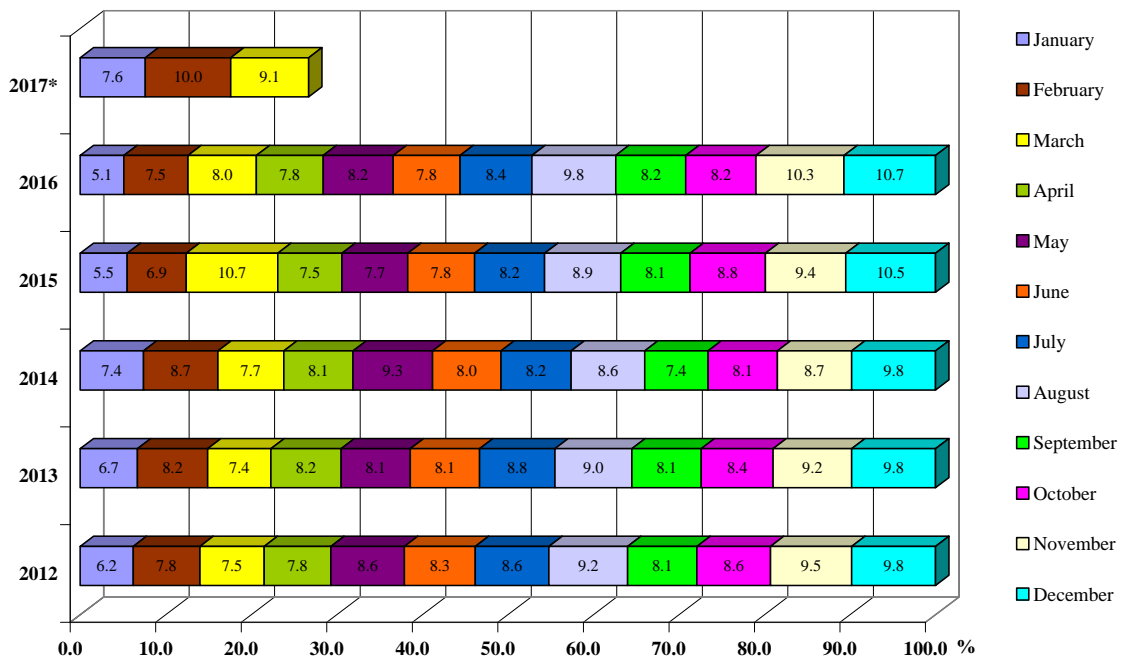


Diagram 2

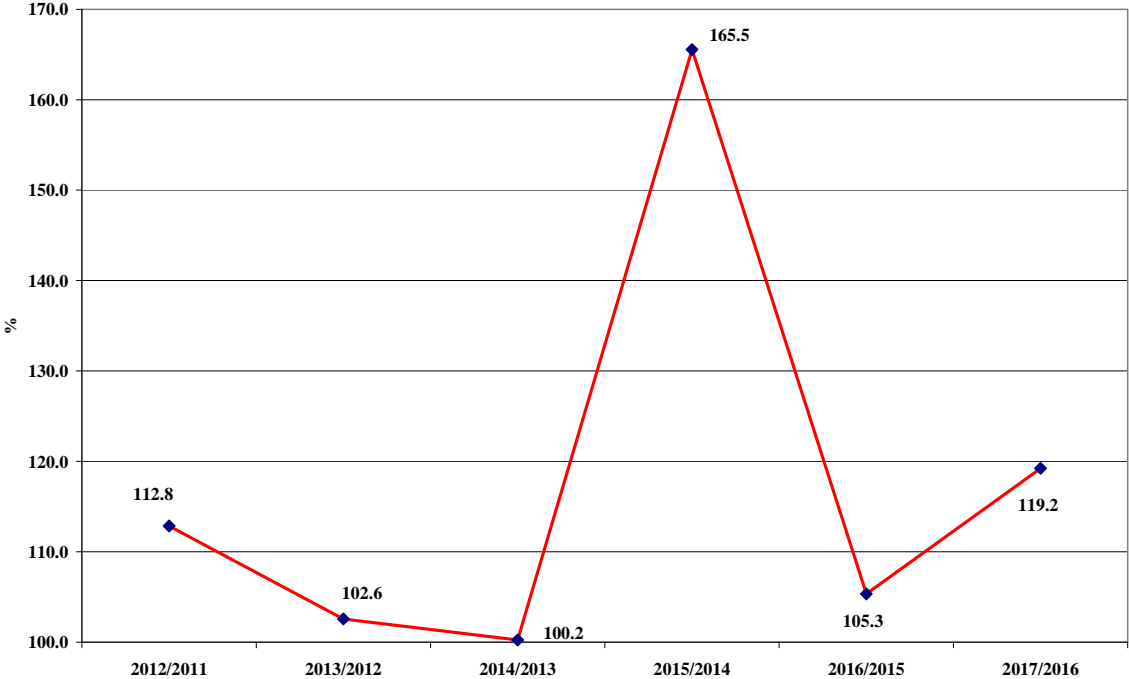
Dynamics of the Share of Local Budget Revenue in Annual Amounts in 2012–2017



* A share of total revenues according to the planned annual index

Graph 9

Growth Rates of Local Budget Revenue in March 2012–2017



Graph 10

Growth Rates of Local Budget Revenue in January-March 2012–2017

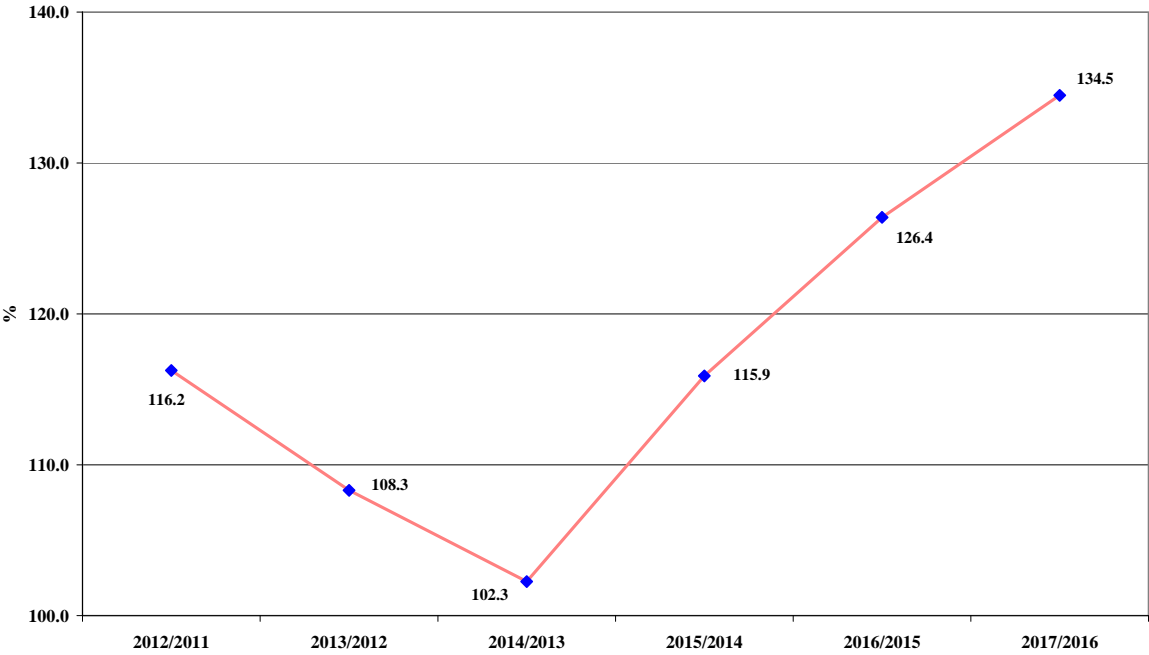


Diagram 3

Local Budget Revenue in March 2017

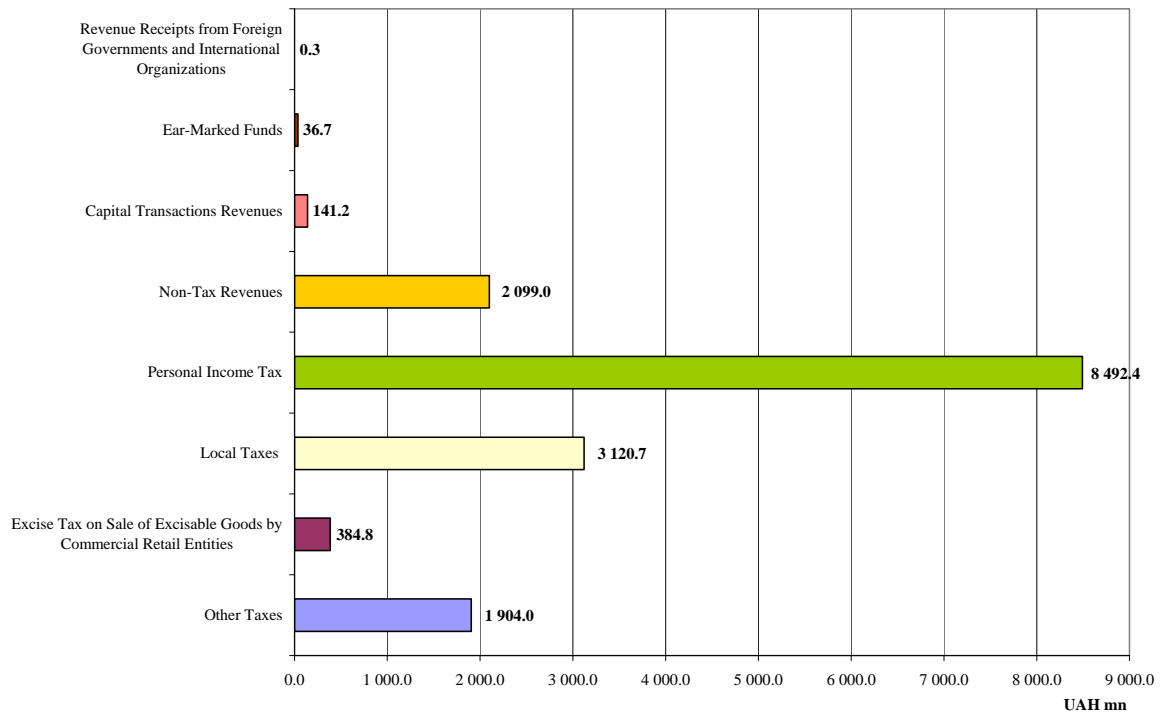


Diagram 4

Structure of Local Budget Revenues in March y 2017

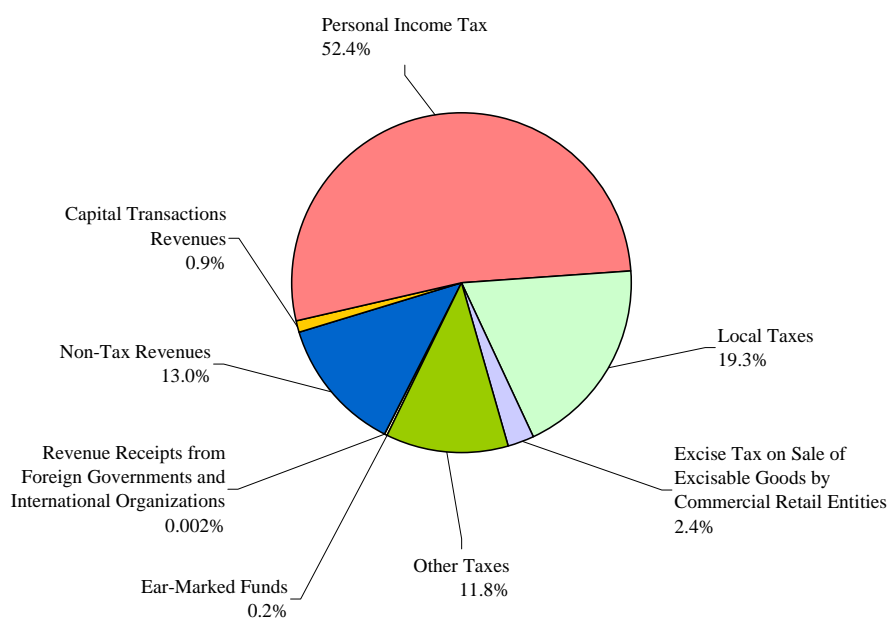
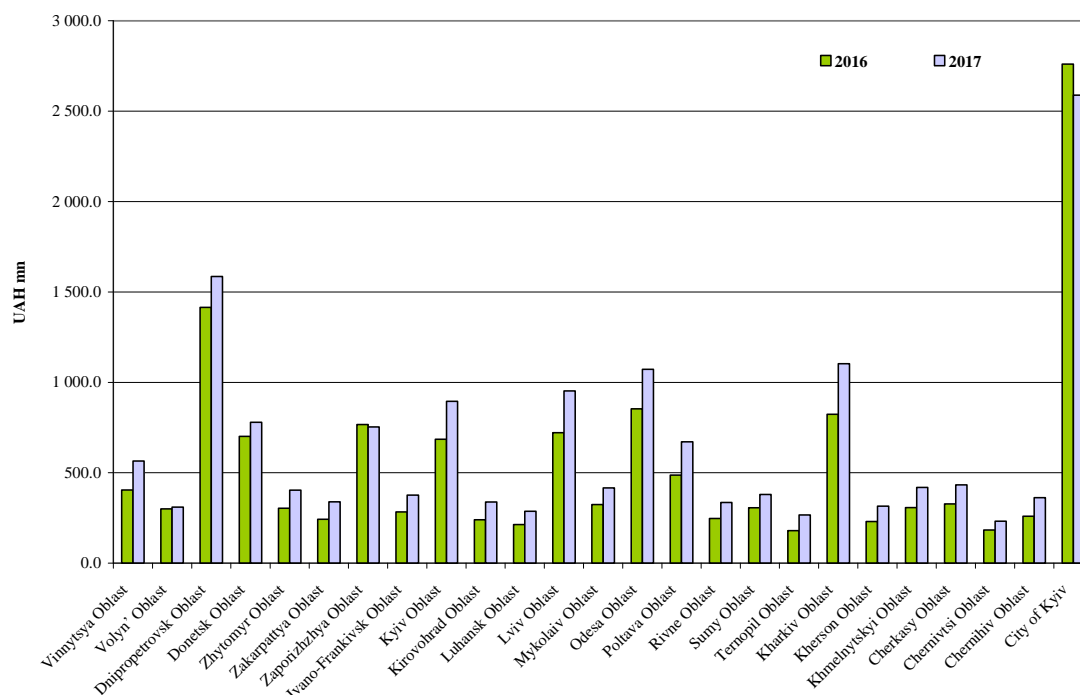


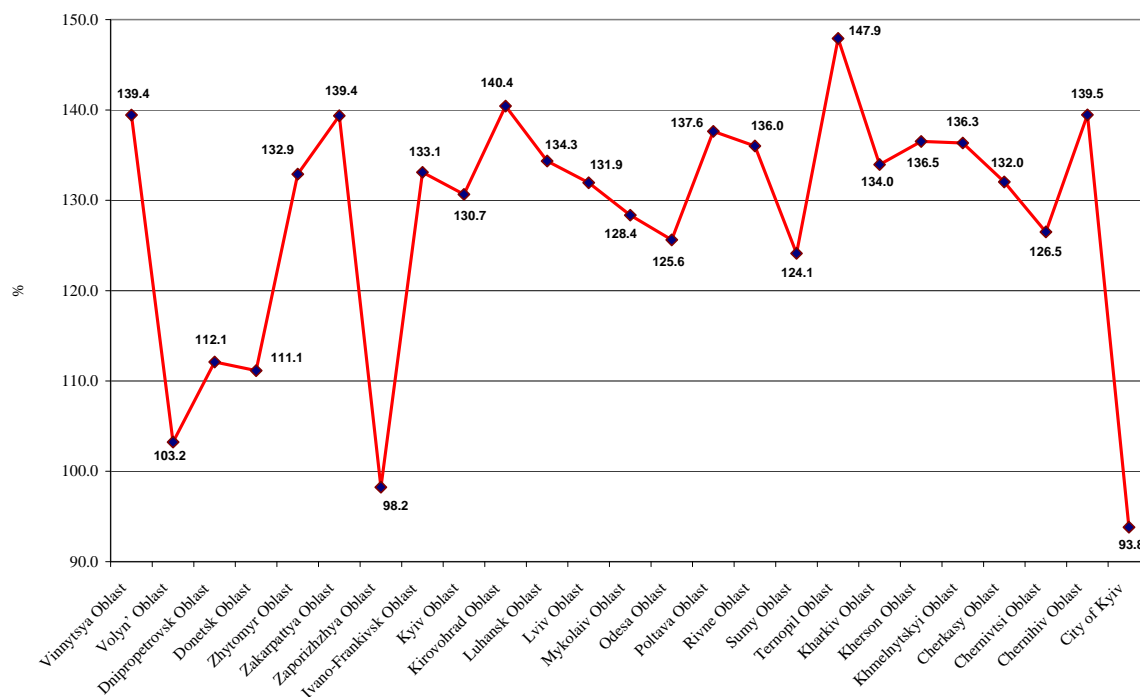
Diagram 5

Regional Distribution of Local Budget Revenue in March 2016–2017



Graph 11

Local Budget Revenues Growth Rate by Region in March 2017 (% vs. previous year)



State Budget Deficit

Diagram 6

Budget Deficit/Surplus, Monthly Trends in 2012

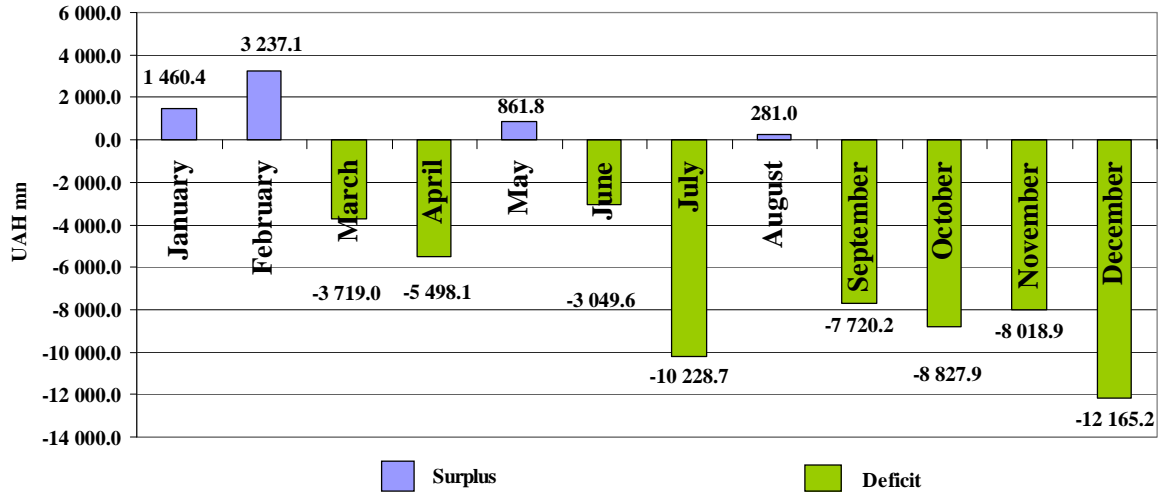


Diagram 7

Budget Deficit/Surplus, Monthly Trends in 2013

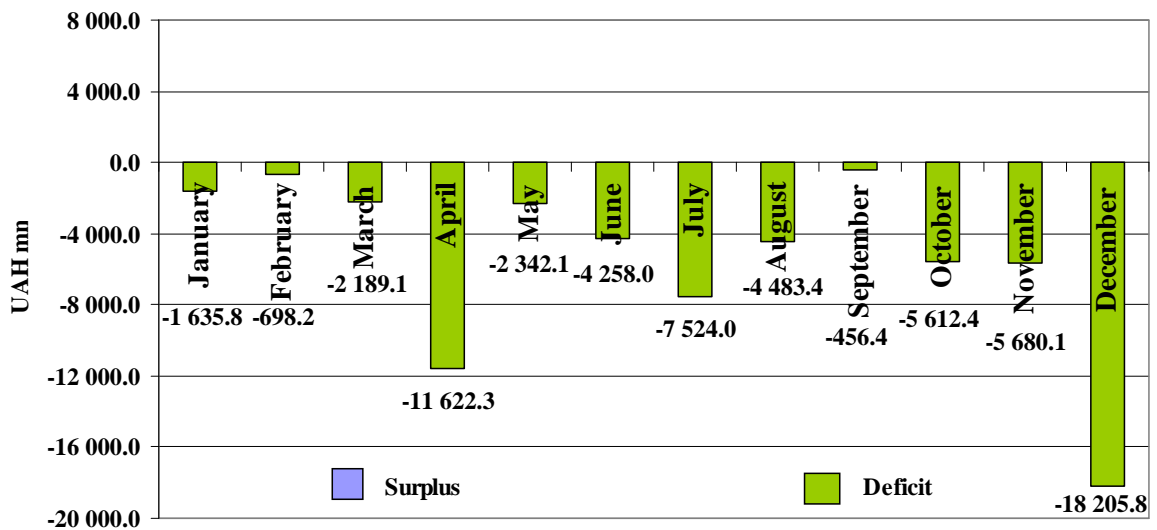


Diagram 8

Budget Deficit/Surplus, Monthly Trends in 2014

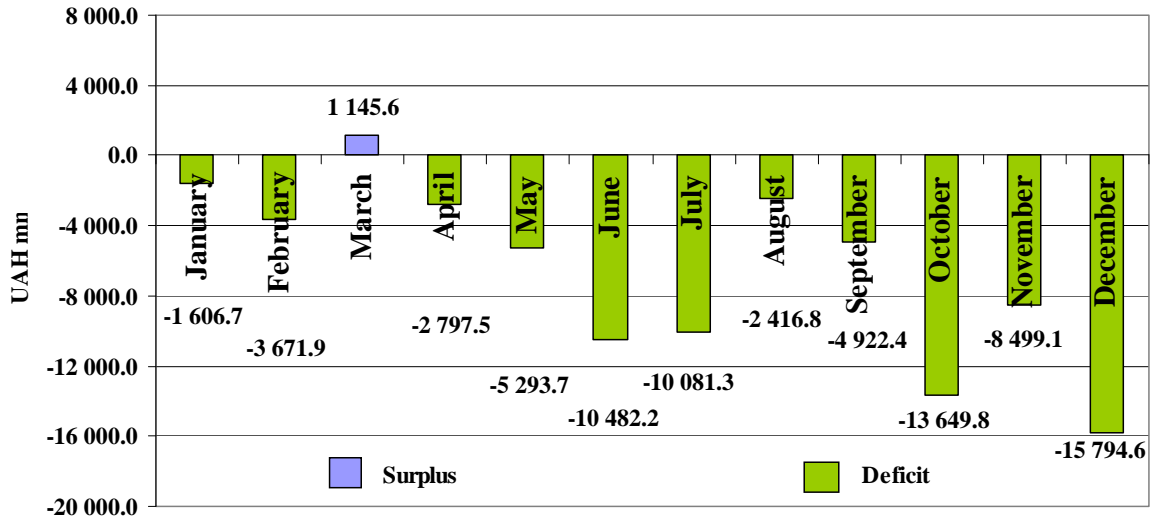


Diagram 9

Budget Deficit/Surplus, Monthly Trends in 2015

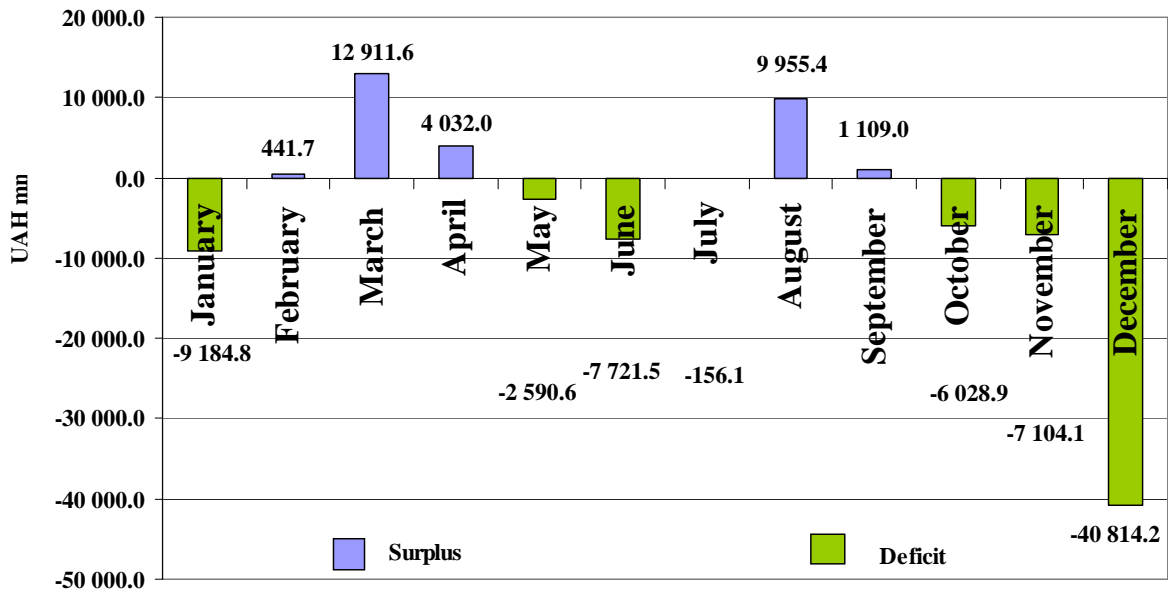


Diagram 10

Budget Deficit/Surplus, Monthly Trends in 2016

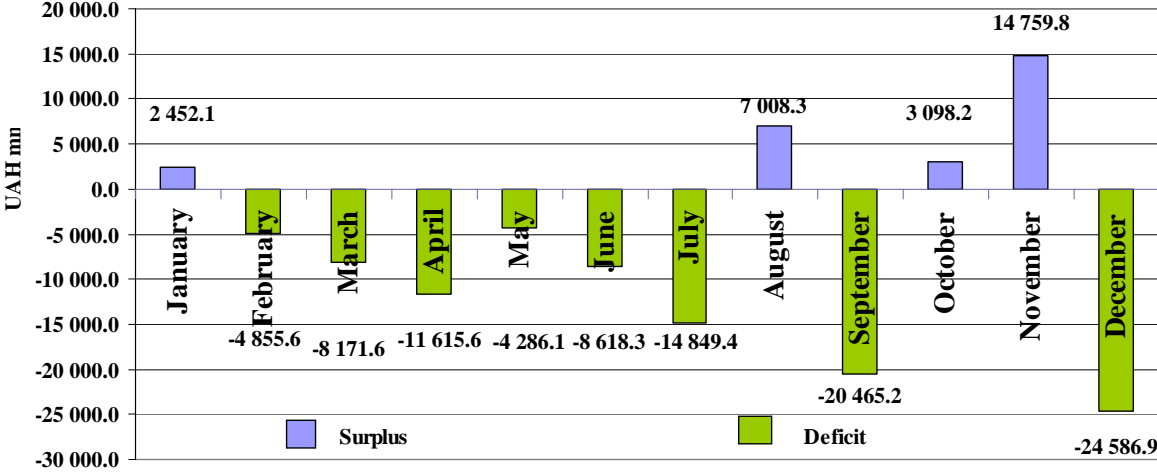
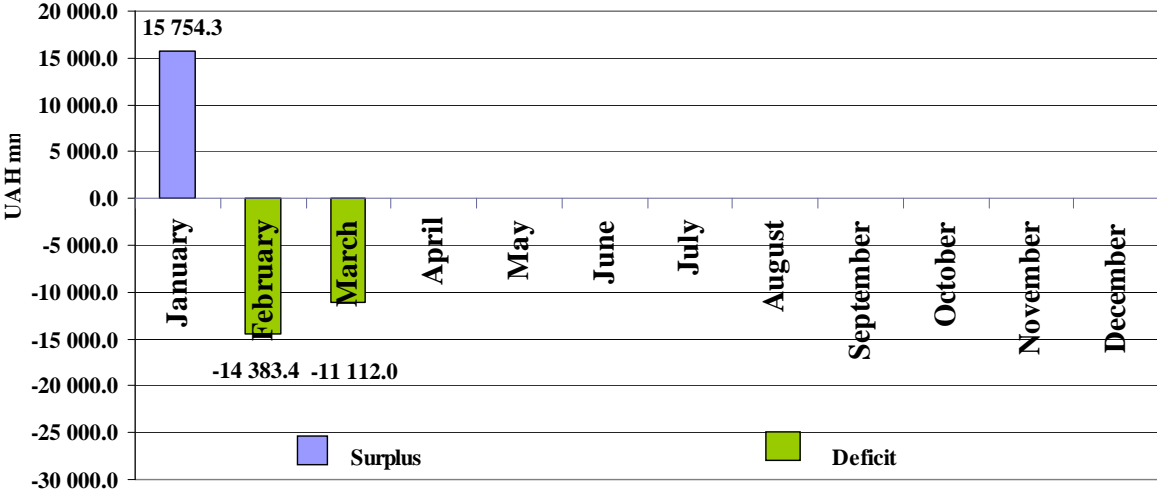


Diagram 11

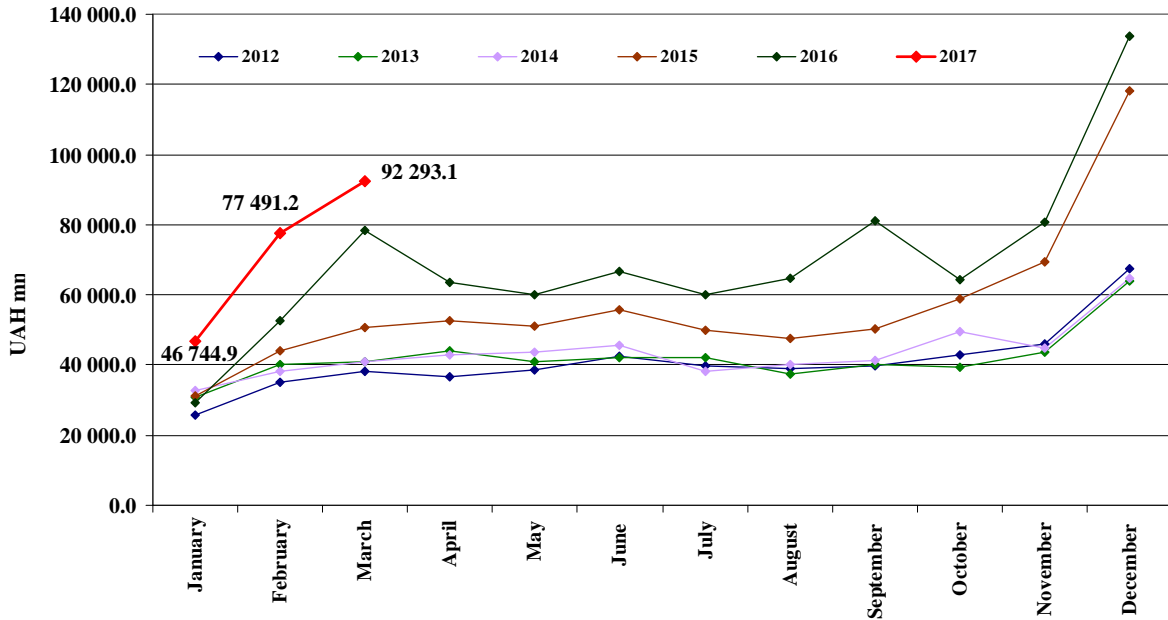
Budget Deficit/Surplus, Monthly Trends in 2017



Consolidated Budget Expenditures

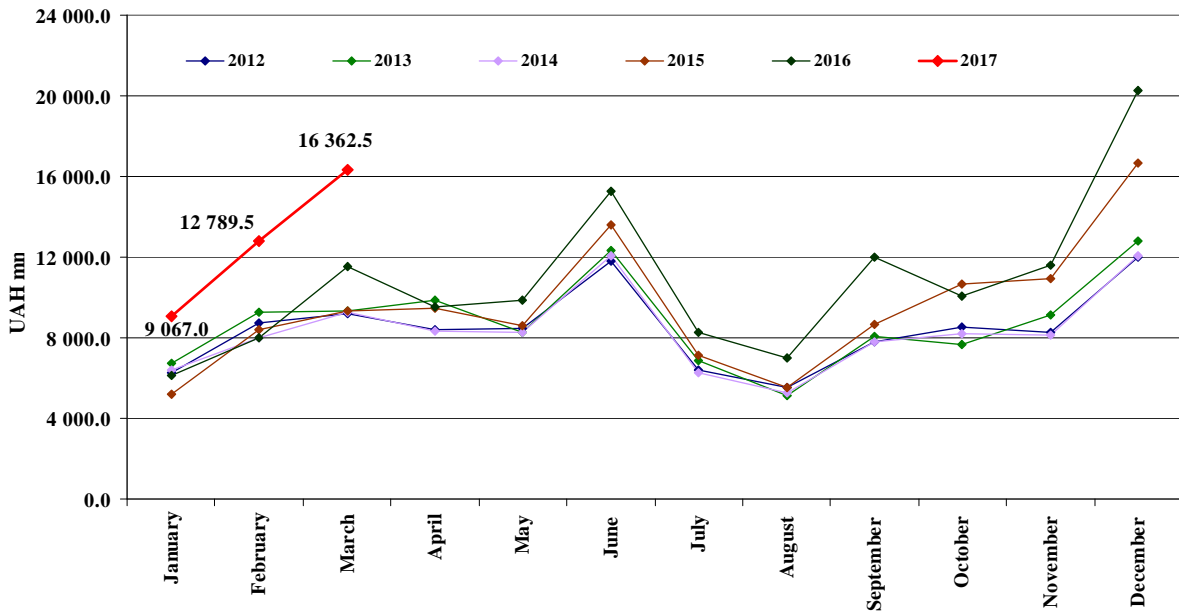
Graph 12

Consolidated Budget Expenditures, Monthly Trends in 2012–2017



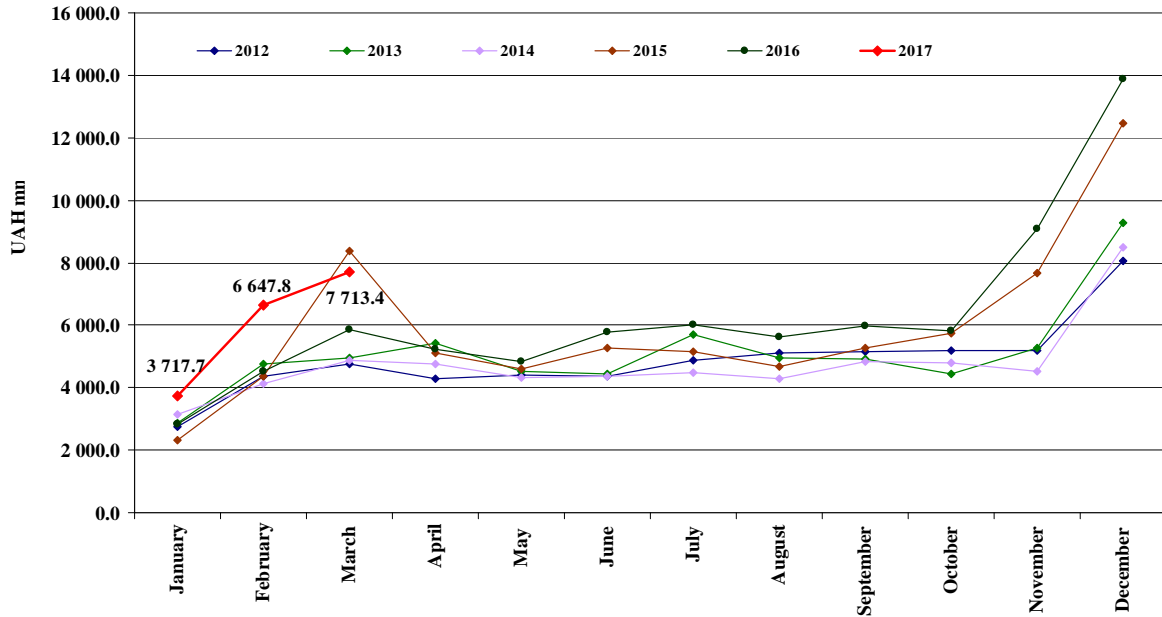
Graph 13

Consolidated Budget Education Expenditures, Monthly Trends in 2012–2017



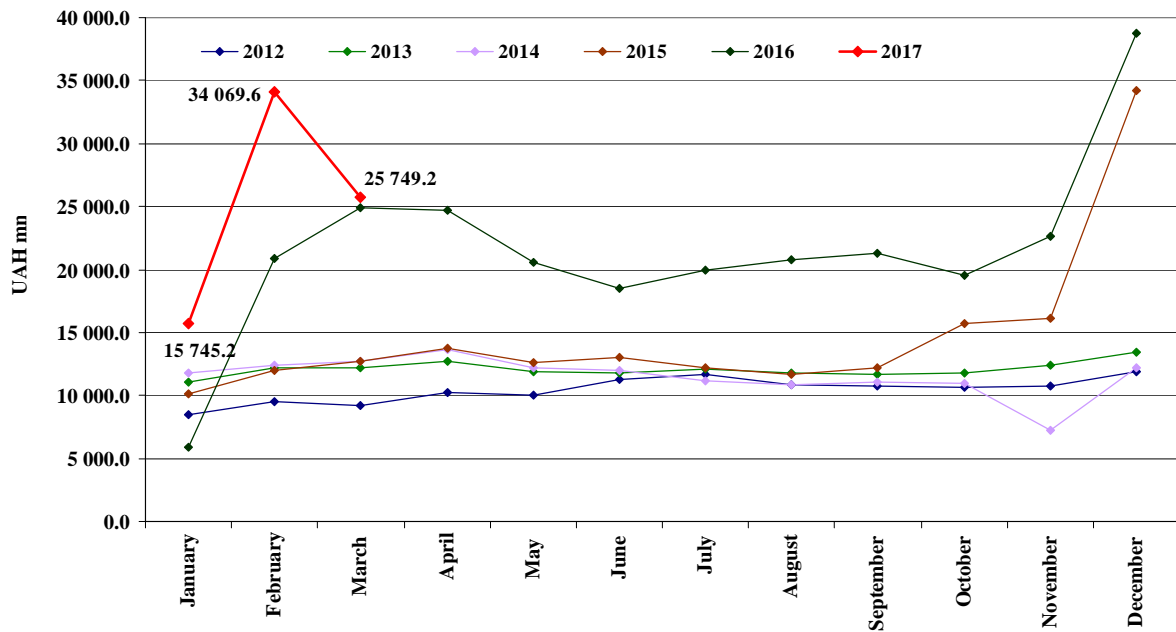
Graph 14

Consolidated Budget Health Expenditures, Monthly Trends in 2012–2017



Graph 15

Consolidated Budget Expenditures for Social Protection and Social Security, Monthly Trends in 2012–2017



State Budget Expenditures

Diagram 12

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2012

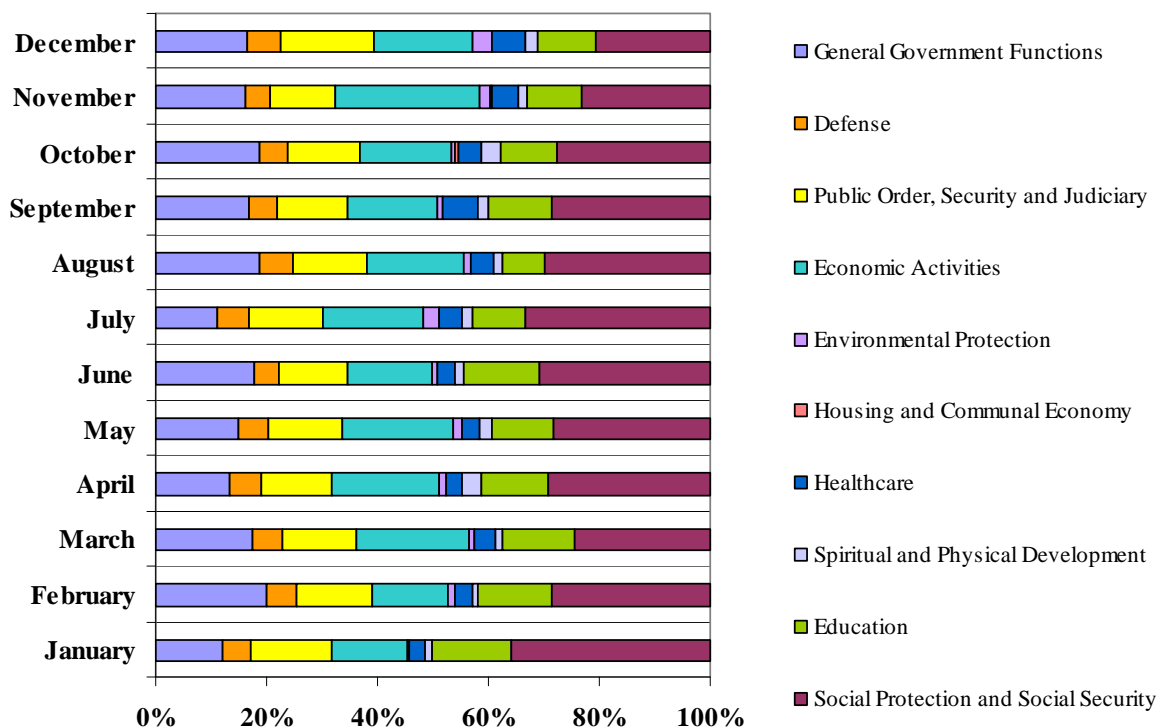


Diagram 13

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2013

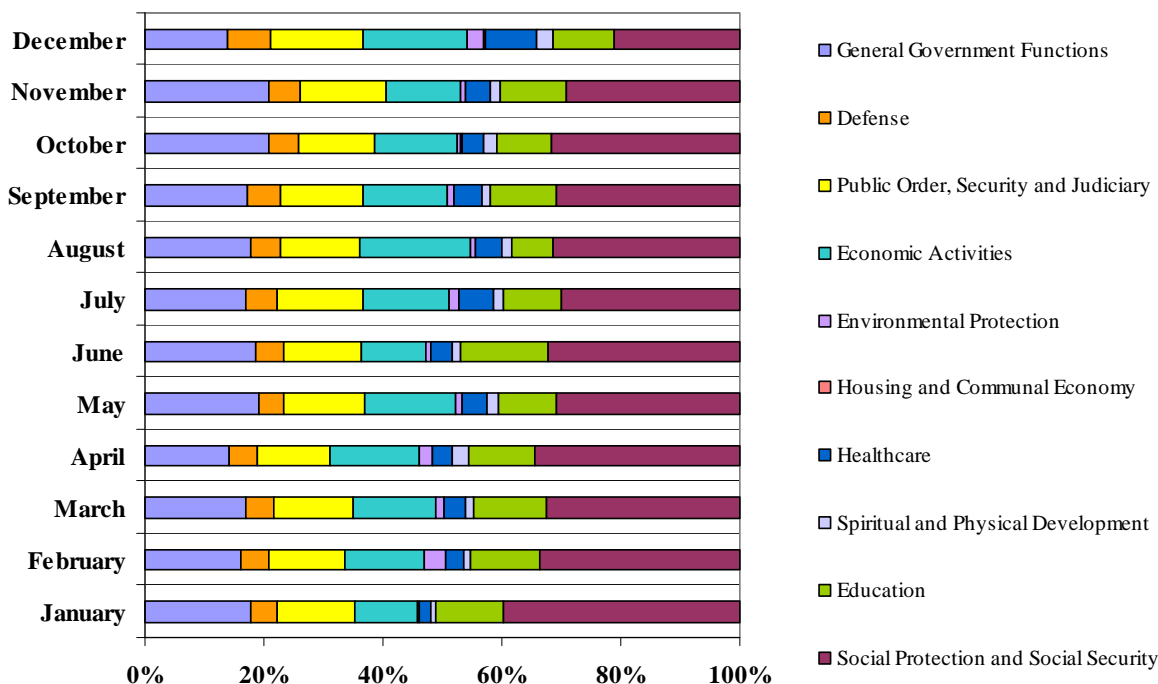


Diagram 14

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2014

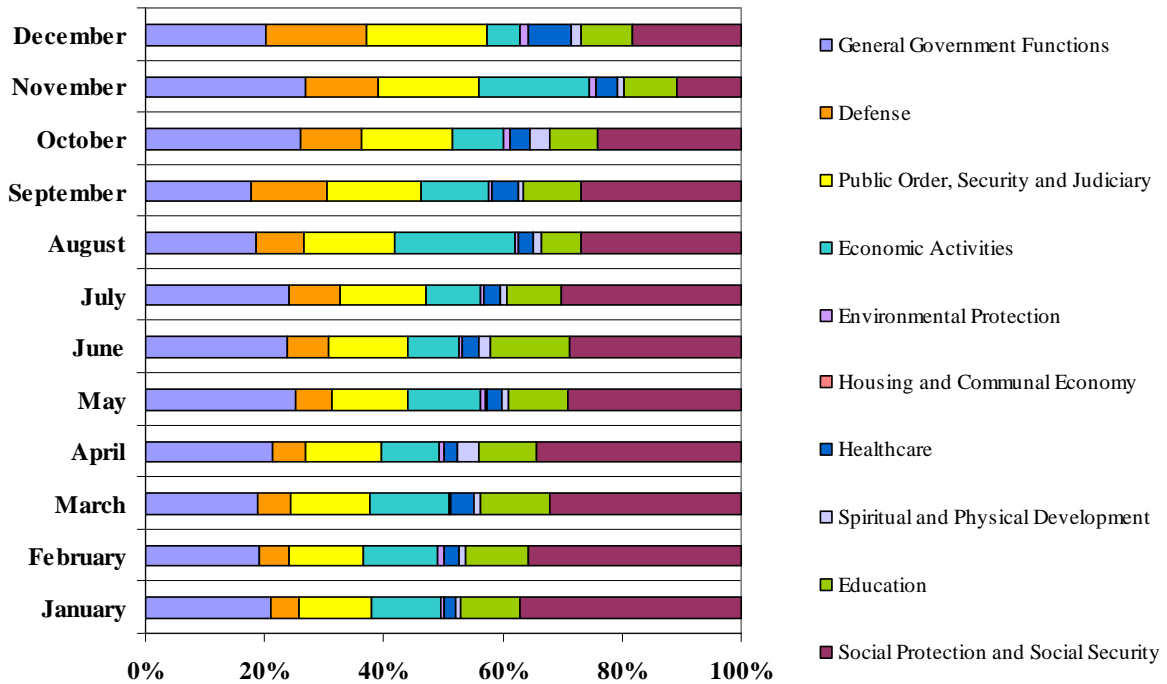


Diagram 15

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2015

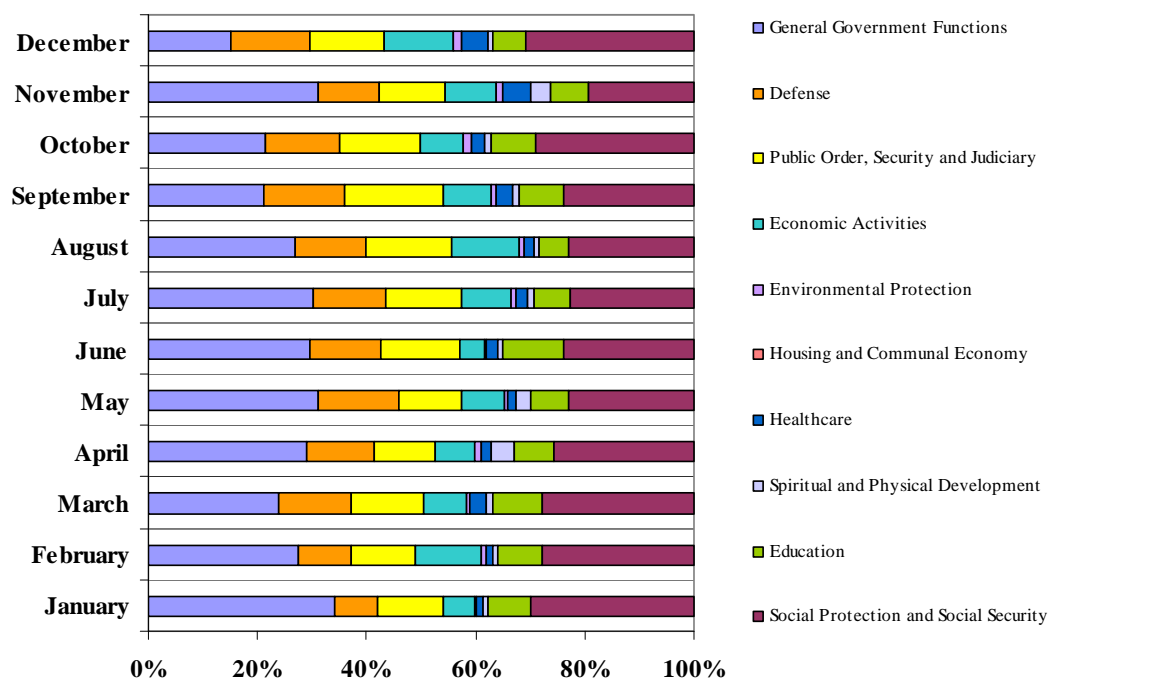


Diagram 16

Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2016

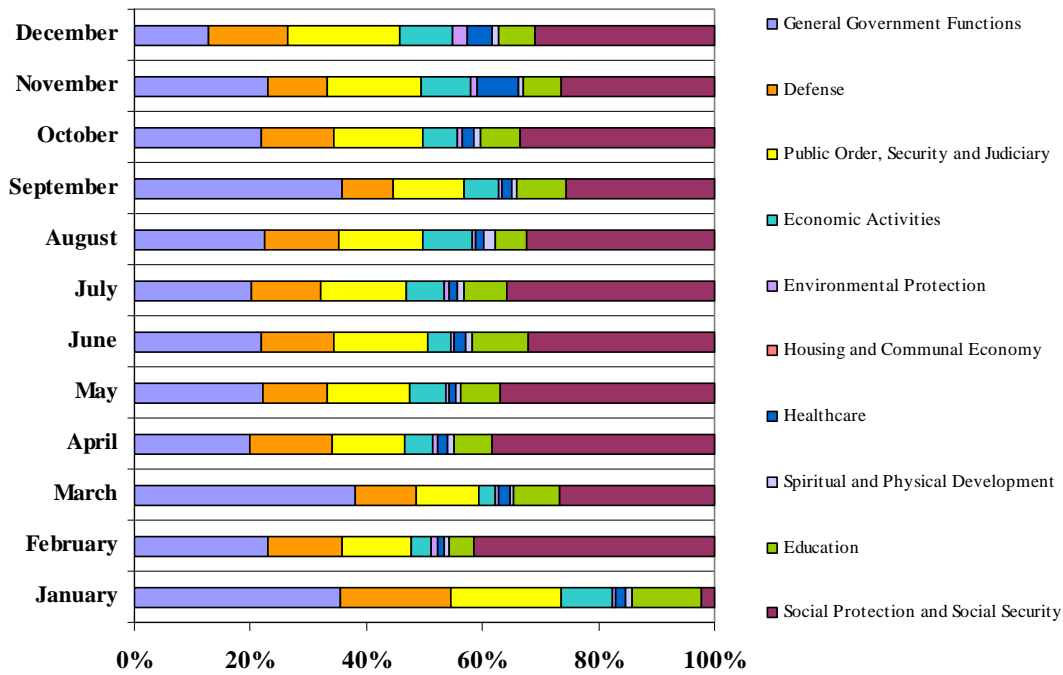
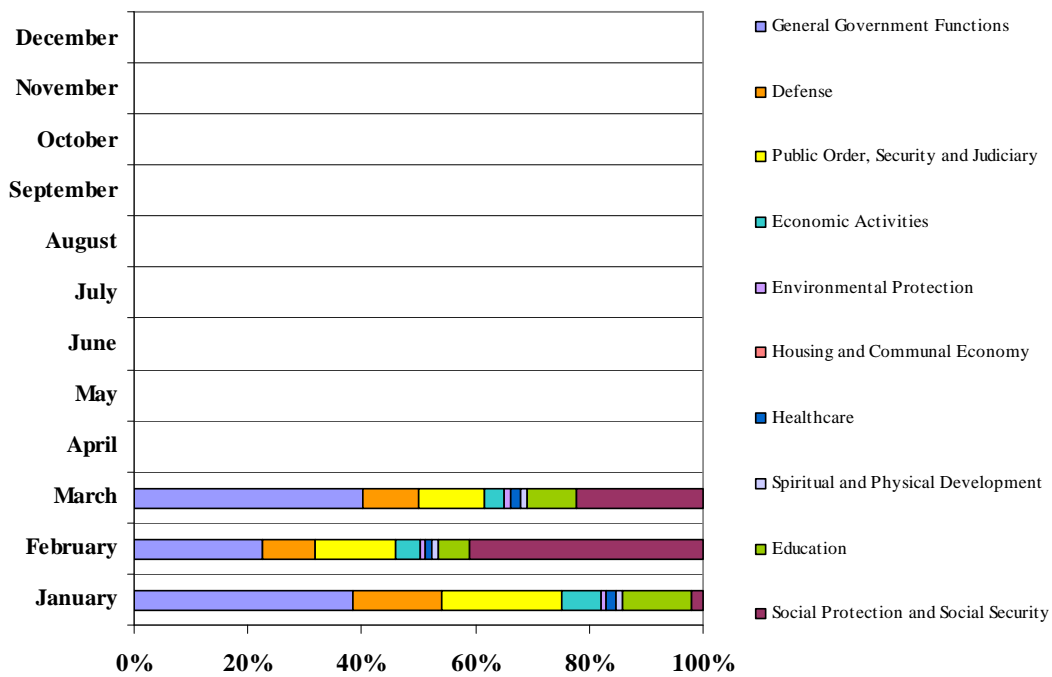
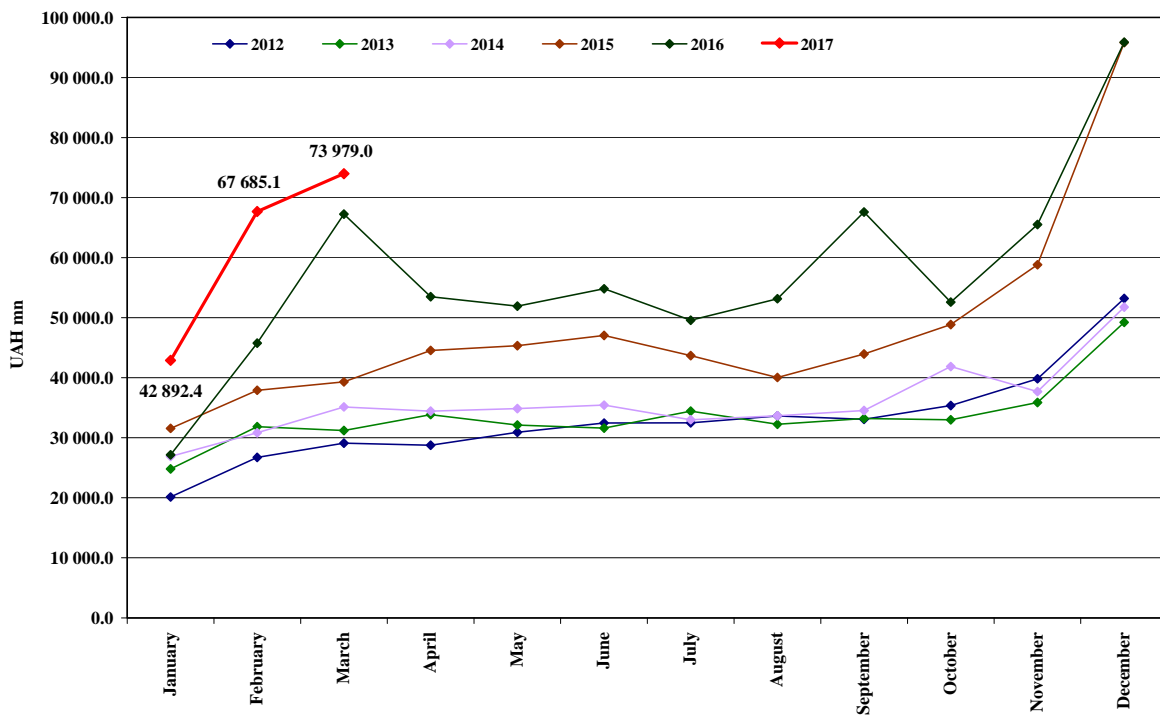


Diagram 17

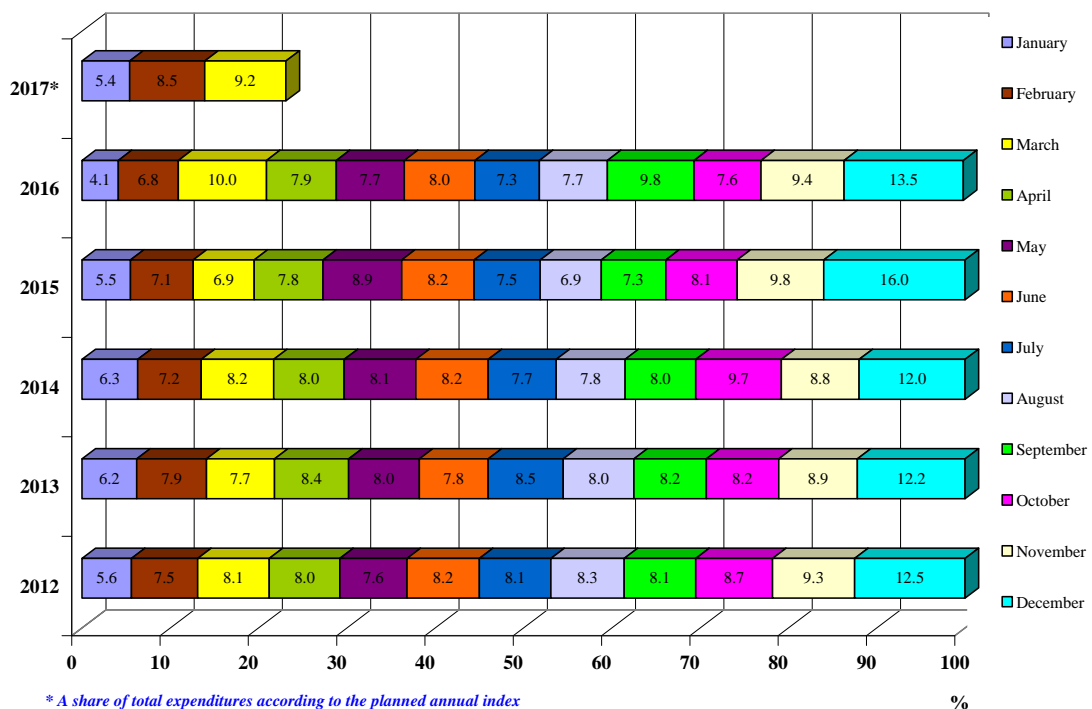
Structure of Actual Expenditures of Ukraine's State Budget by Functional Classification in 2017



Monthly Trends of State Budget Expenditures in 2012–2017



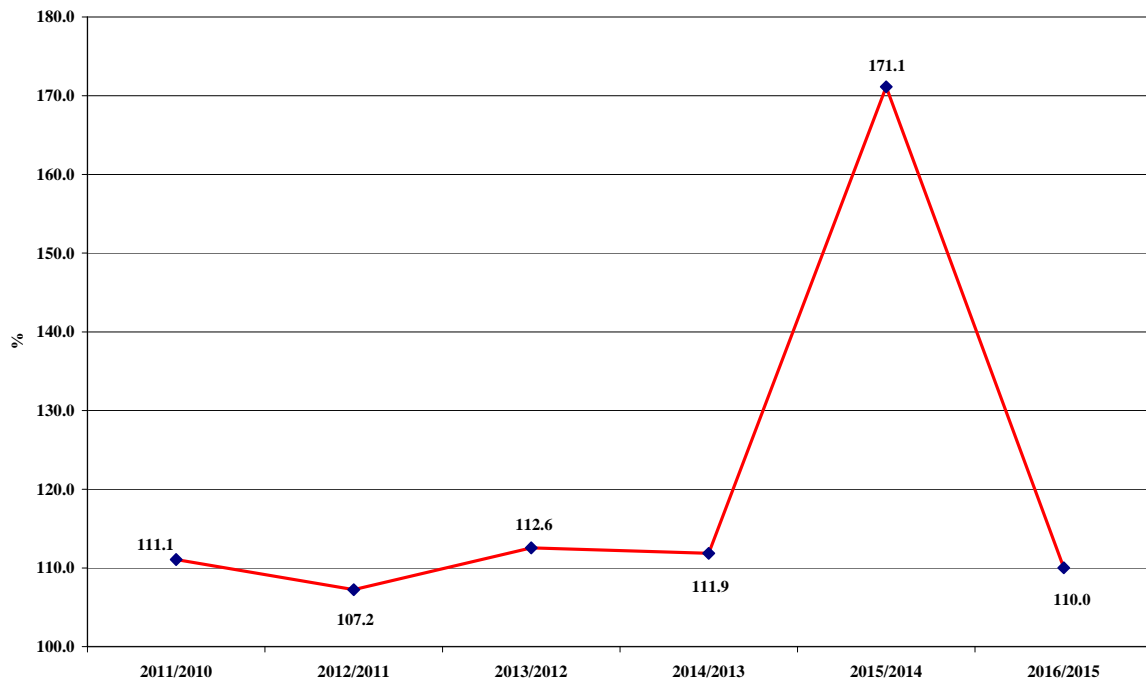
Dynamics of the Share of Ukraine's State Budget Total Expenditures in Annual Amounts in 2012–2017



* A share of total expenditures according to the planned annual index

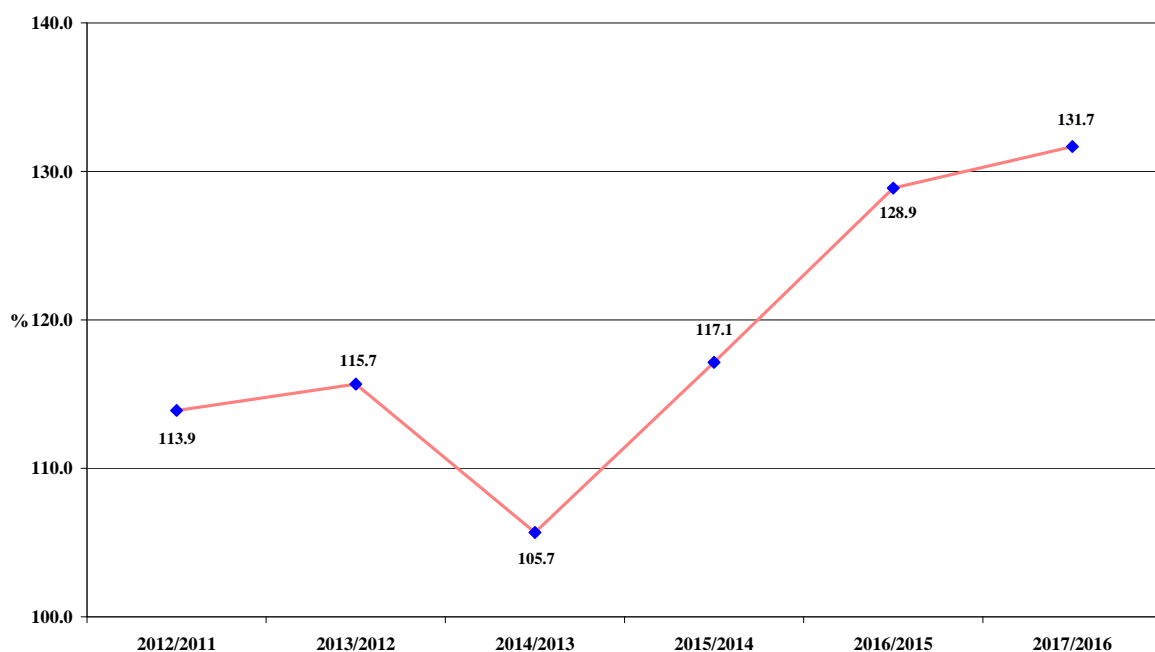
Graph 17

Growth Rates of Ukraine's State Budget Expenditures in March 2012–2017



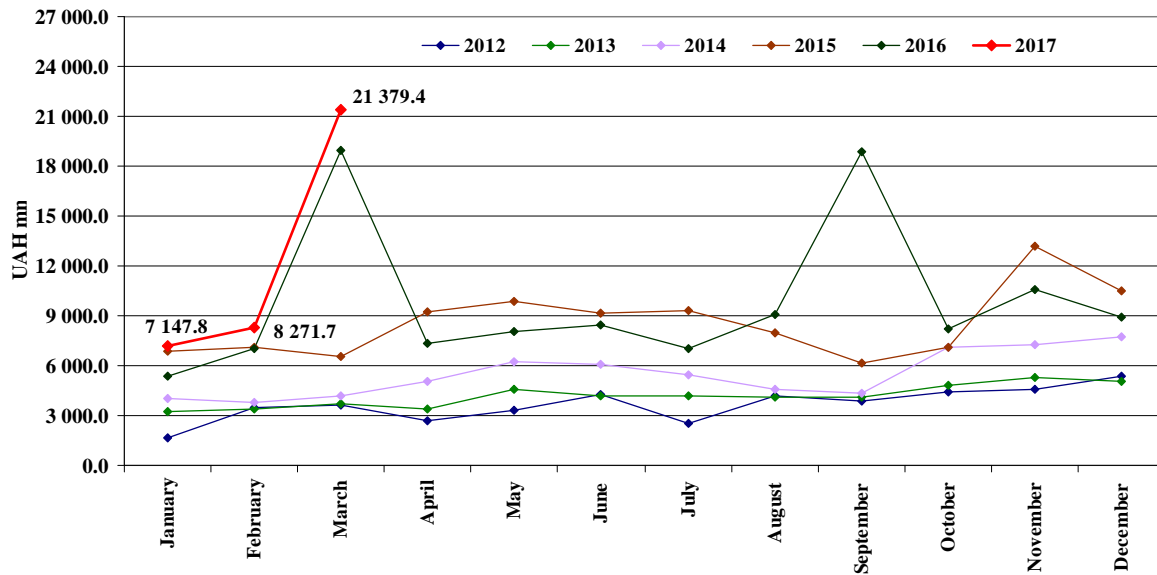
Graph 18

Growth Rates of Ukraine's State Budget Expenditures in January-March 2012–2017



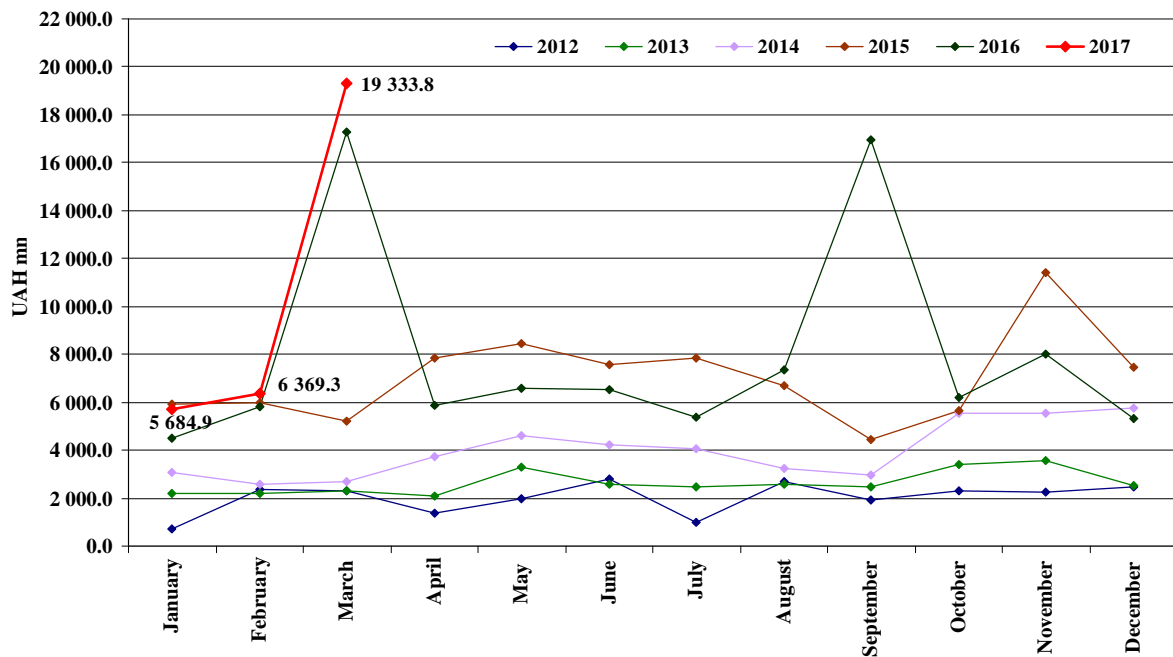
Graph 19

State Budget Expenditures for General Government Functions, Monthly Trends in 2012–2017



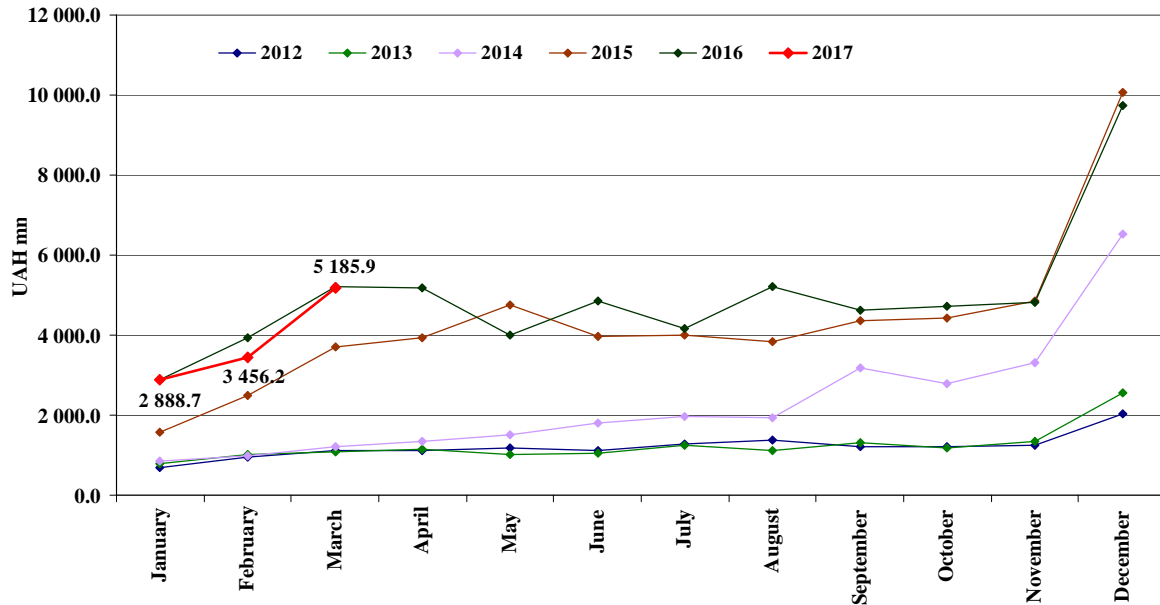
Graph 20

State Budget Expenditures for Public Debt Servicing, Monthly Trends in 2012-2017



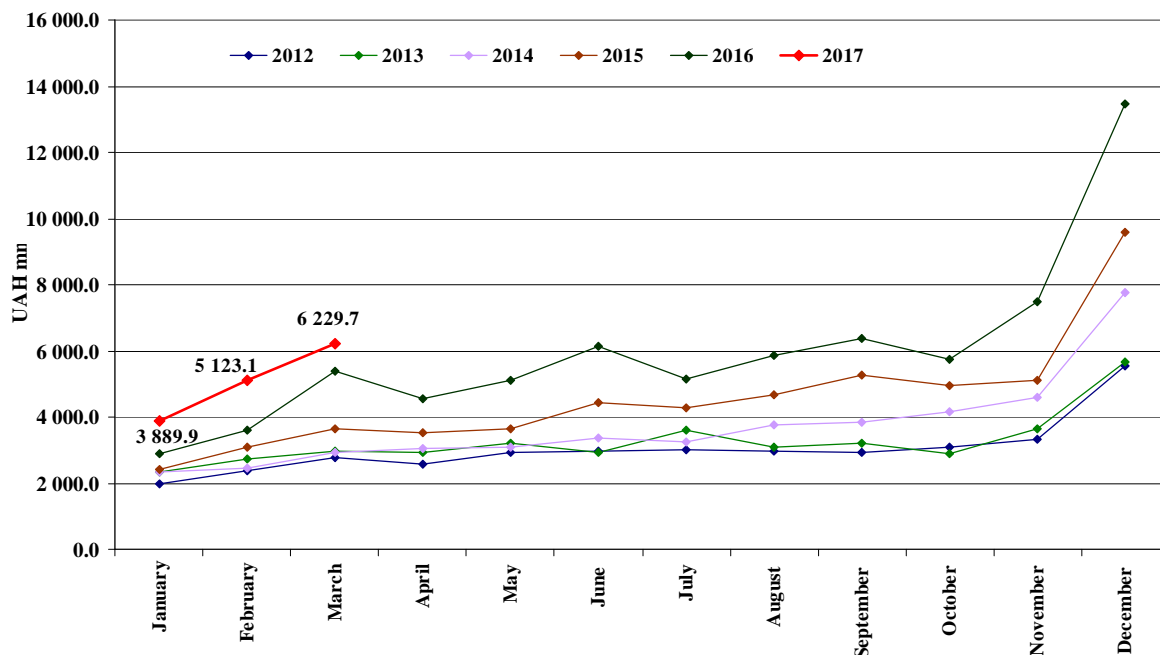
Graph 21

State Budget Expenditures for Defense, Monthly Trends in 2012–2017



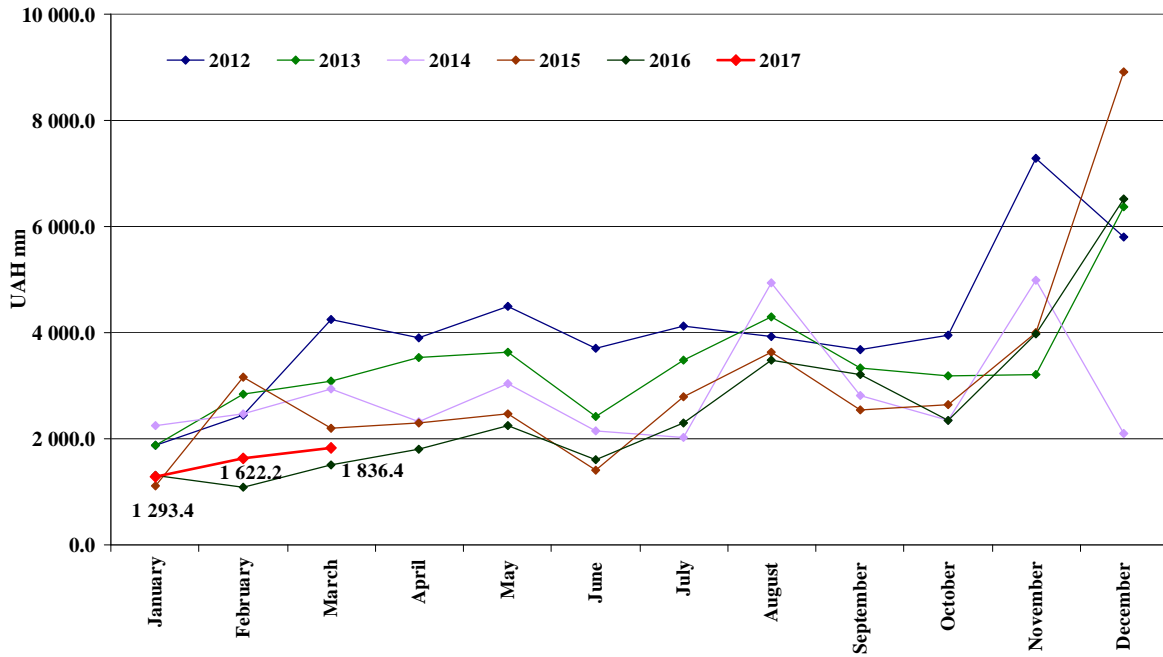
Graph 22

State Budget Expenditures for Public Order, Security, and the Judiciary, Monthly Trends in 2012–2017



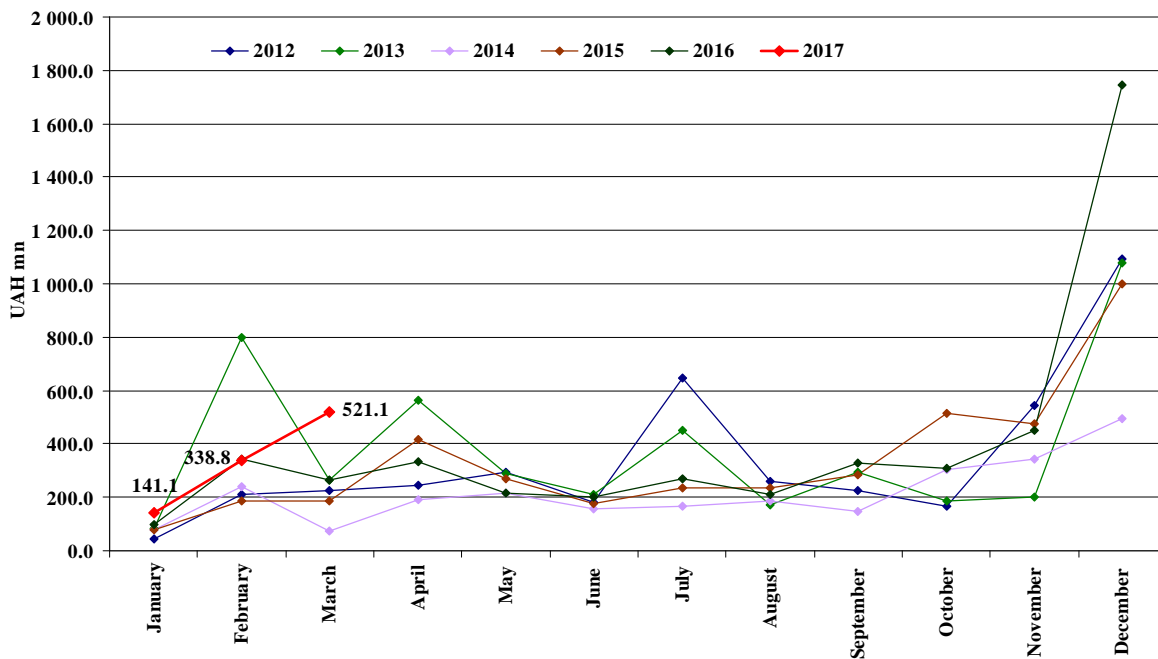
Graph 23

State Budget Expenditures for Economic Activities, Monthly Trends in 2012–2017



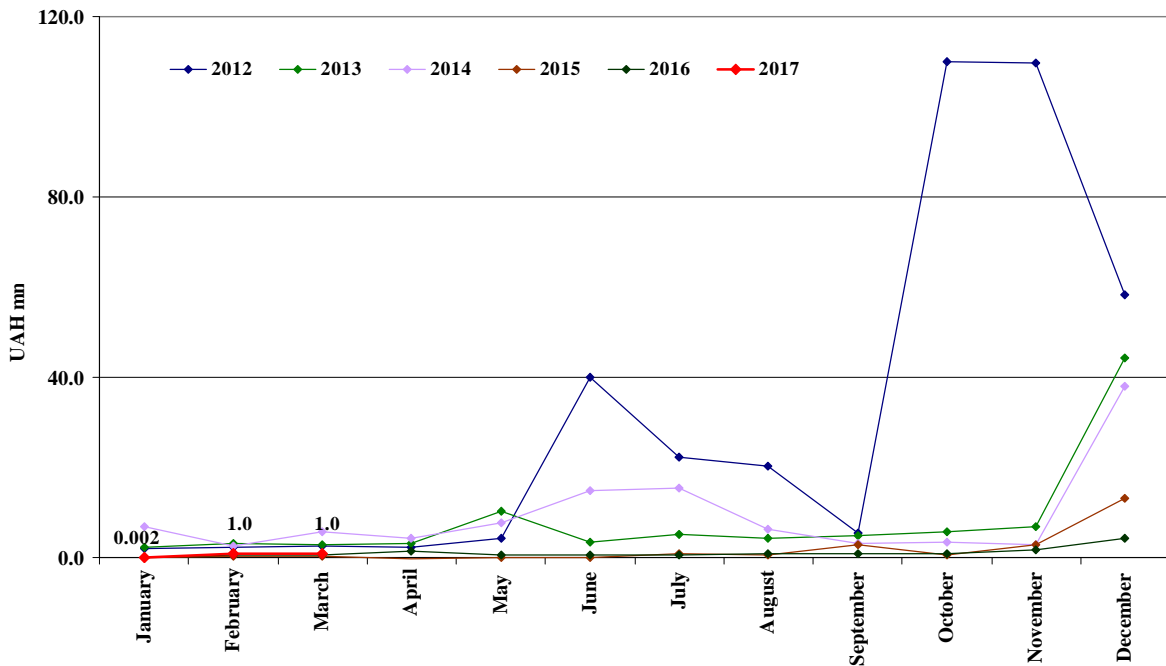
Graph 24

State Budget Expenditures for Environmental Protection, Monthly Trends in 2012–2017



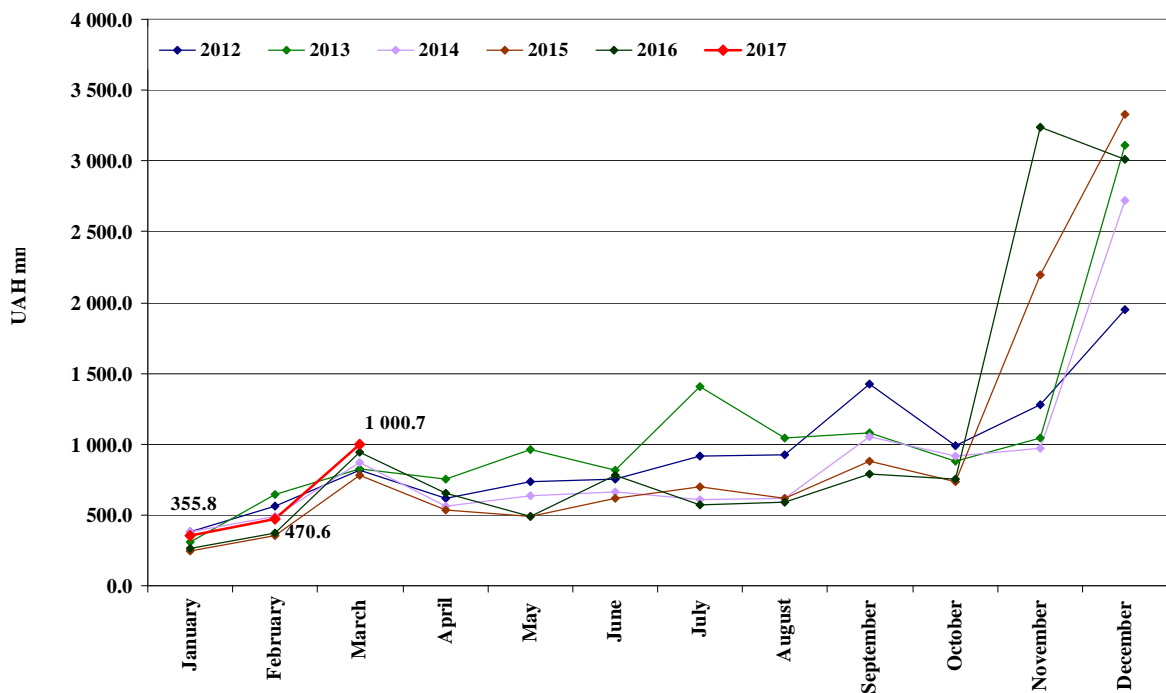
Graph 25

State Budget Expenditures for the Housing and Communal Sector, Monthly Trends in 2012–2017



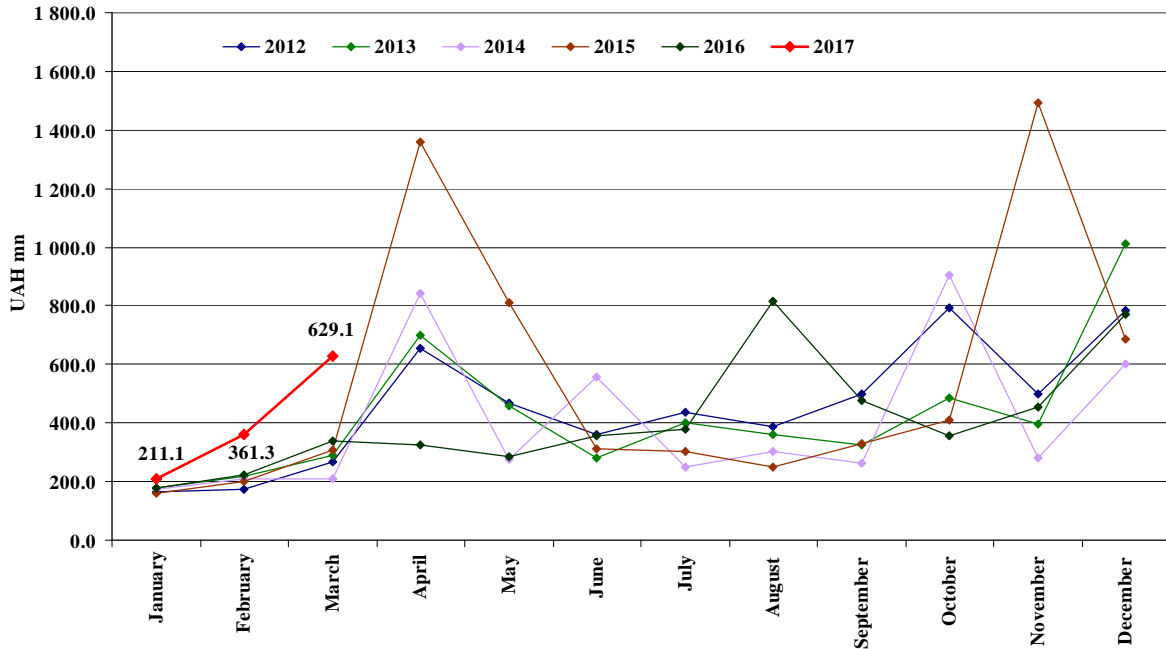
Graph 26

State Budget Expenditures for Healthcare, Monthly Trends in 2012–2017



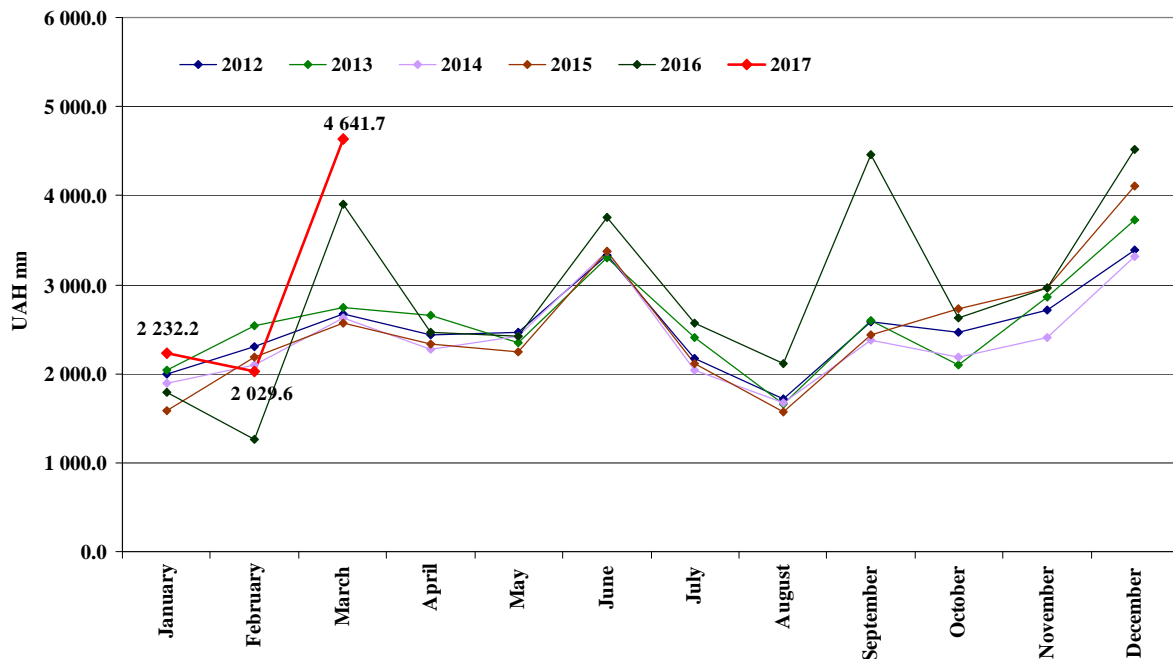
Graph 27

State Budget Expenditures for Spiritual and Physical Development, Monthly Trends in 2012–2017

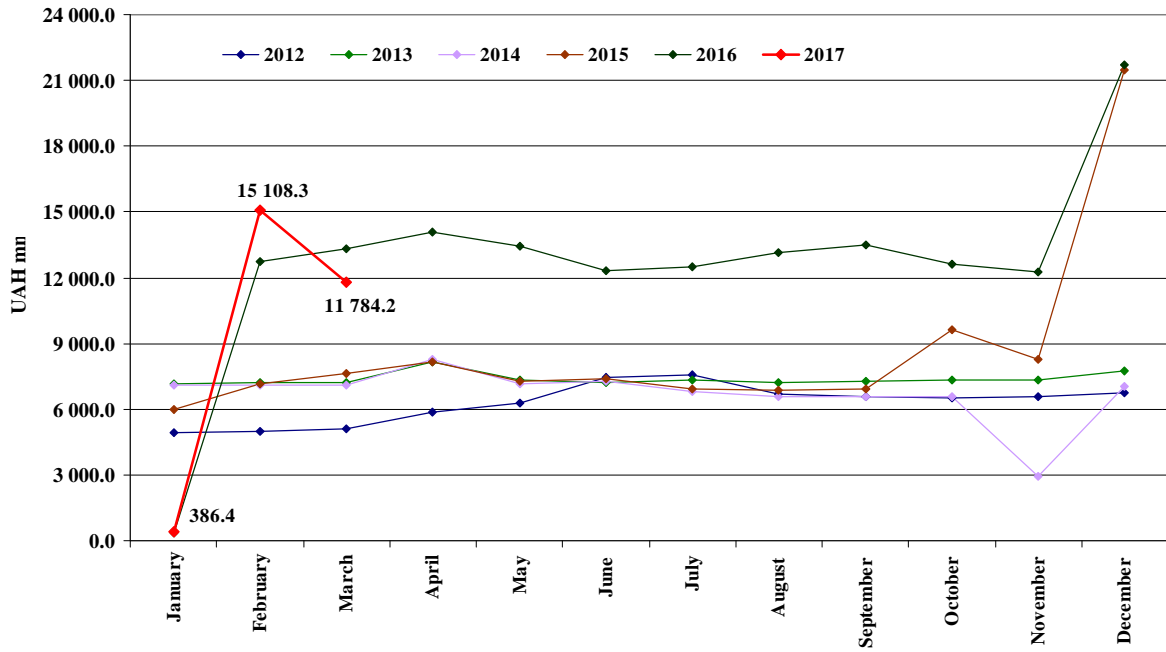


Graph 28

State Budget Expenditures for Education, Monthly Trends in 2012–2017



State Budget Expenditures for Social Protection and Social Security, Monthly Trends in 2012–2017



Local Budget Expenditures

Graph 30

Total Local Budget Expenditures (Less Intergovernmental Transfers), Monthly Trends in 2012–2017

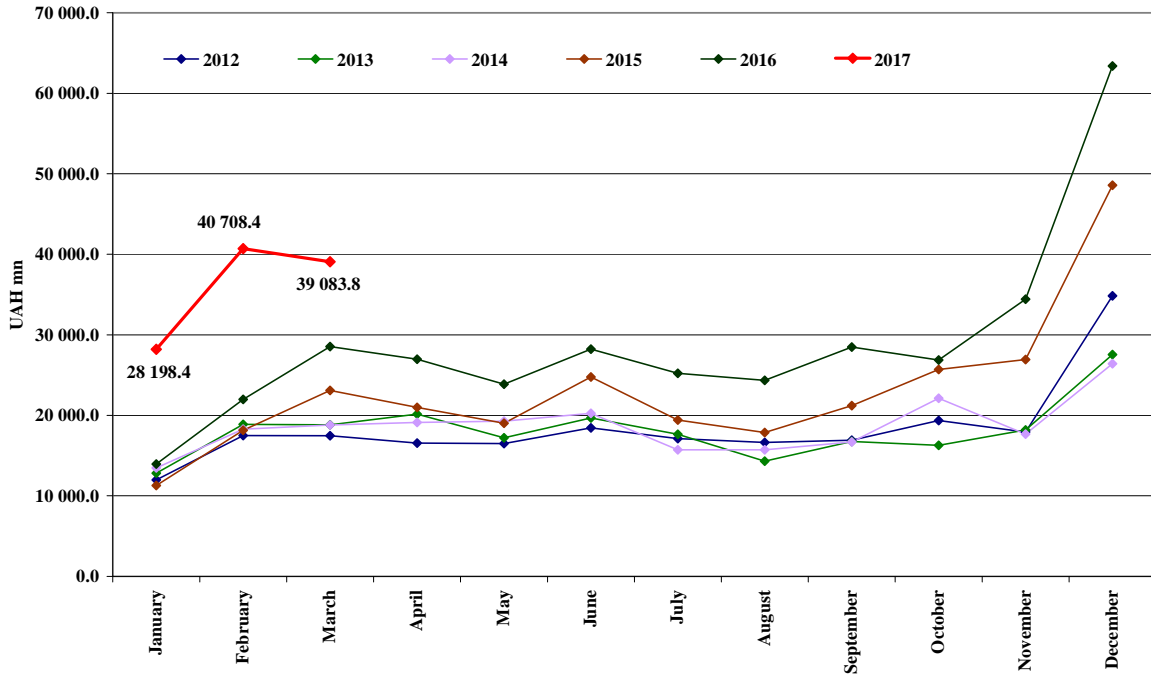
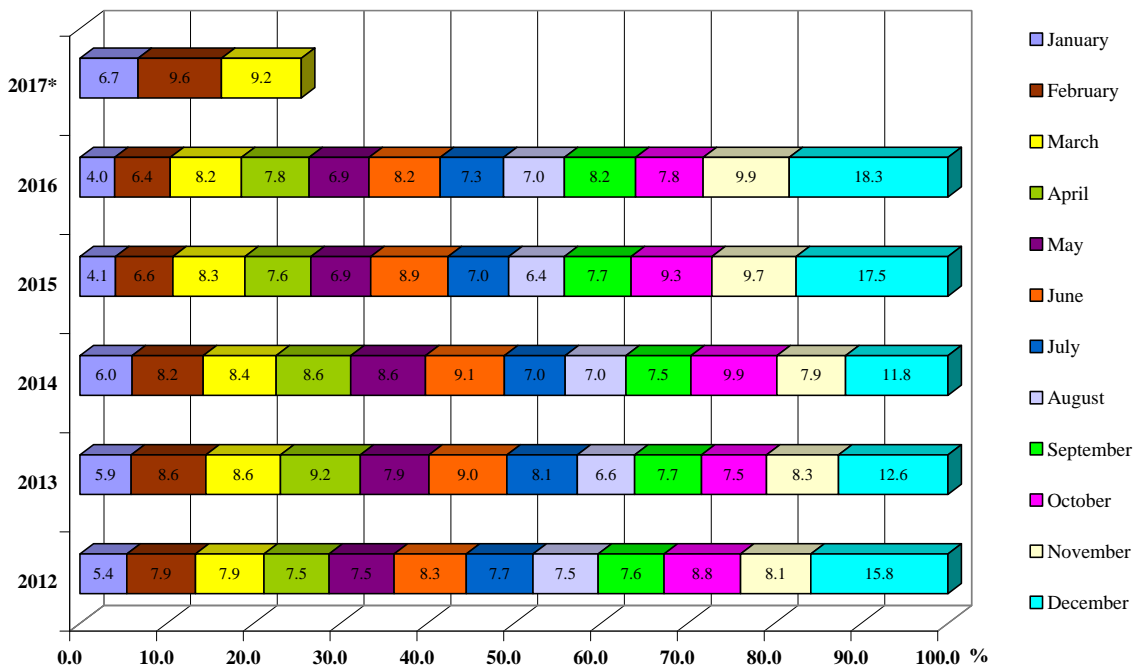


Diagram 19

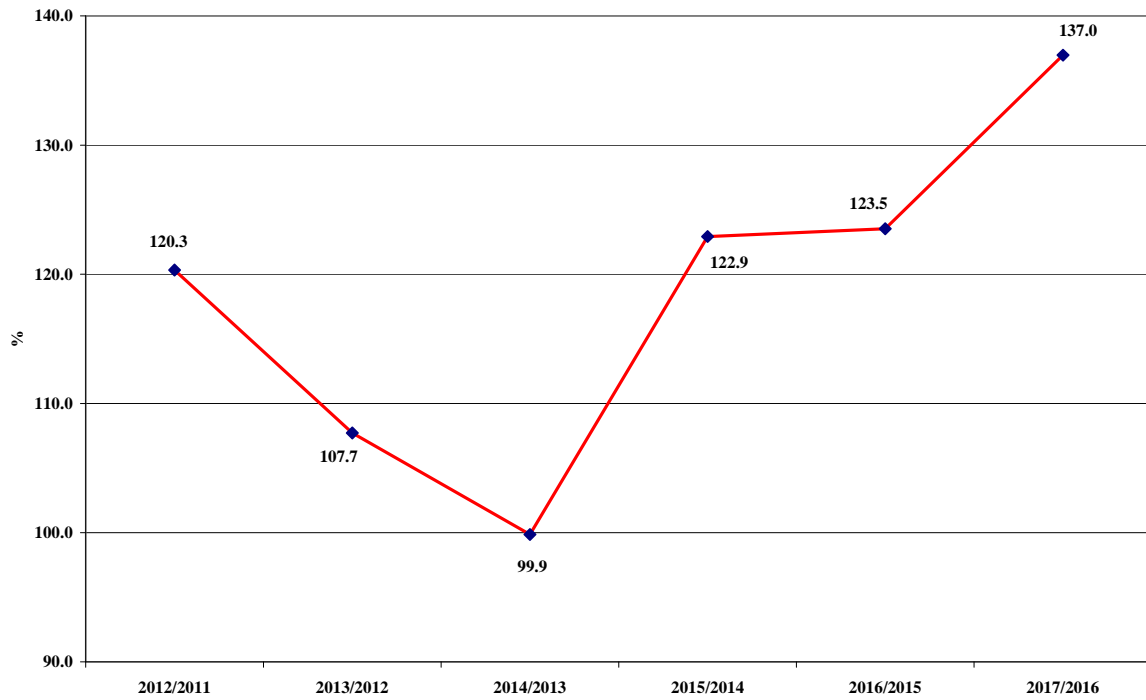
Dynamics of the Share of Local Budget Expenditures in Annual Amounts in 2012–2017



* A share of total expenditures according to the planned annual index

Graph 31

Growth Rates of Local Budget Expenditures in March 2012–2017



Graph 32

Growth Rates of Local Budget Expenditures in January-March 2012–2017

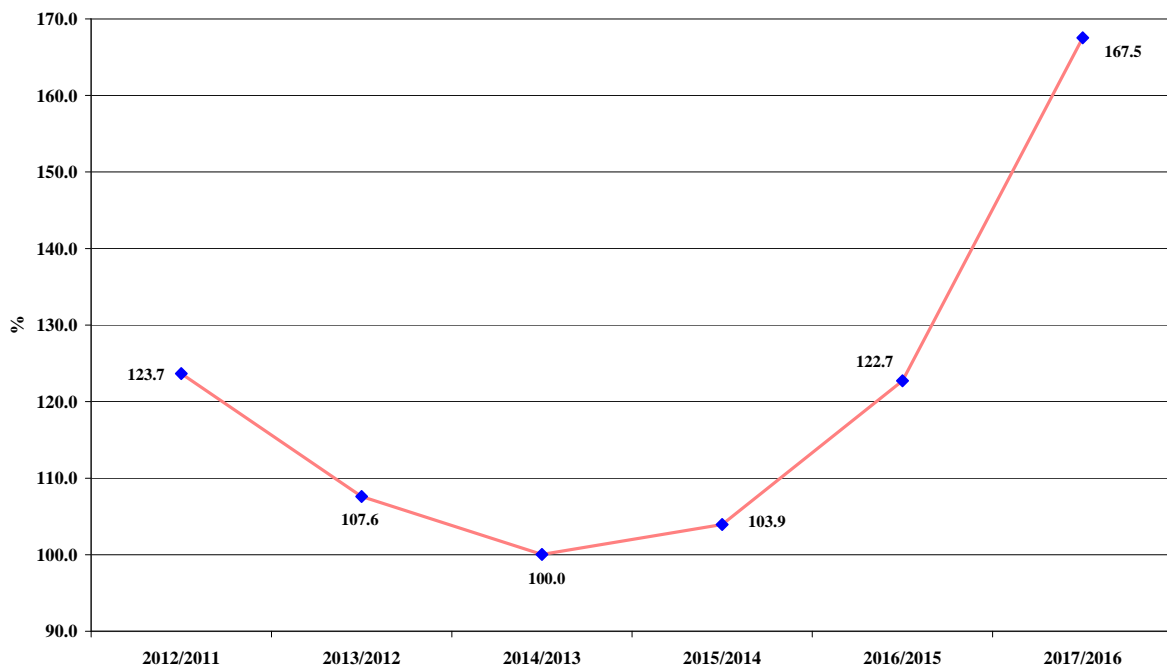


Diagram 20

Local Budget Expenditures by Functional Classification in March 2017

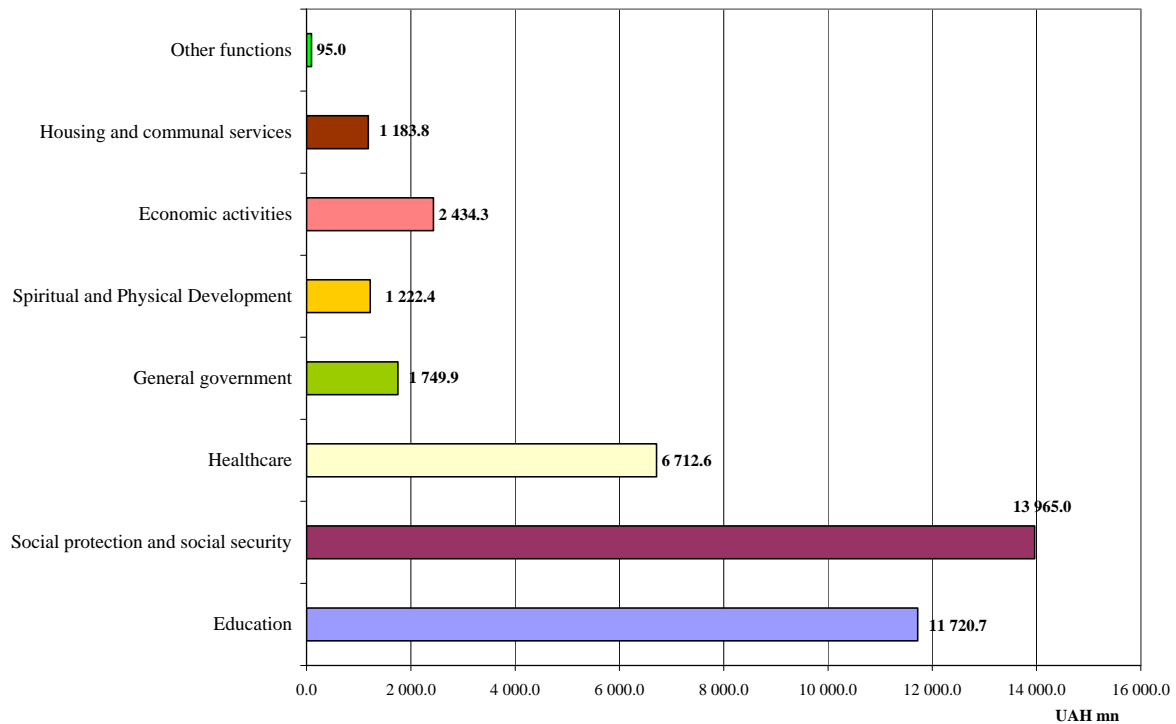
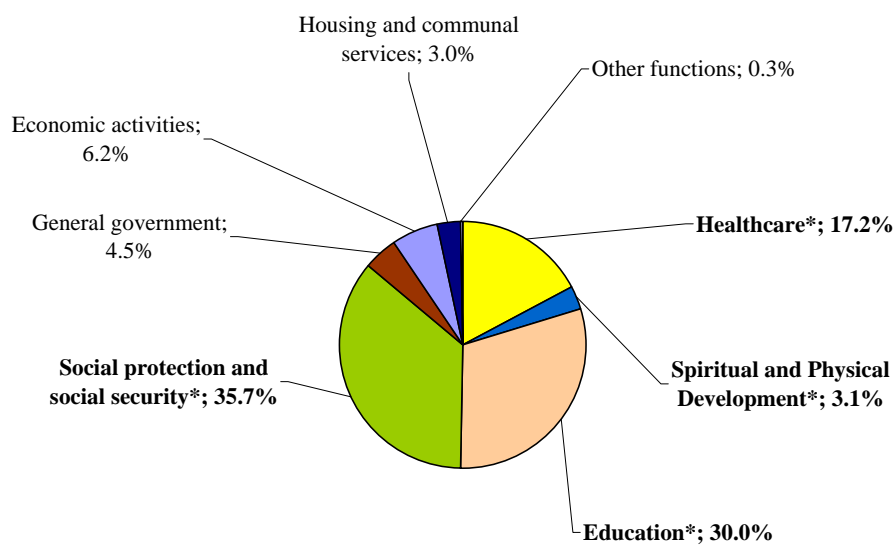


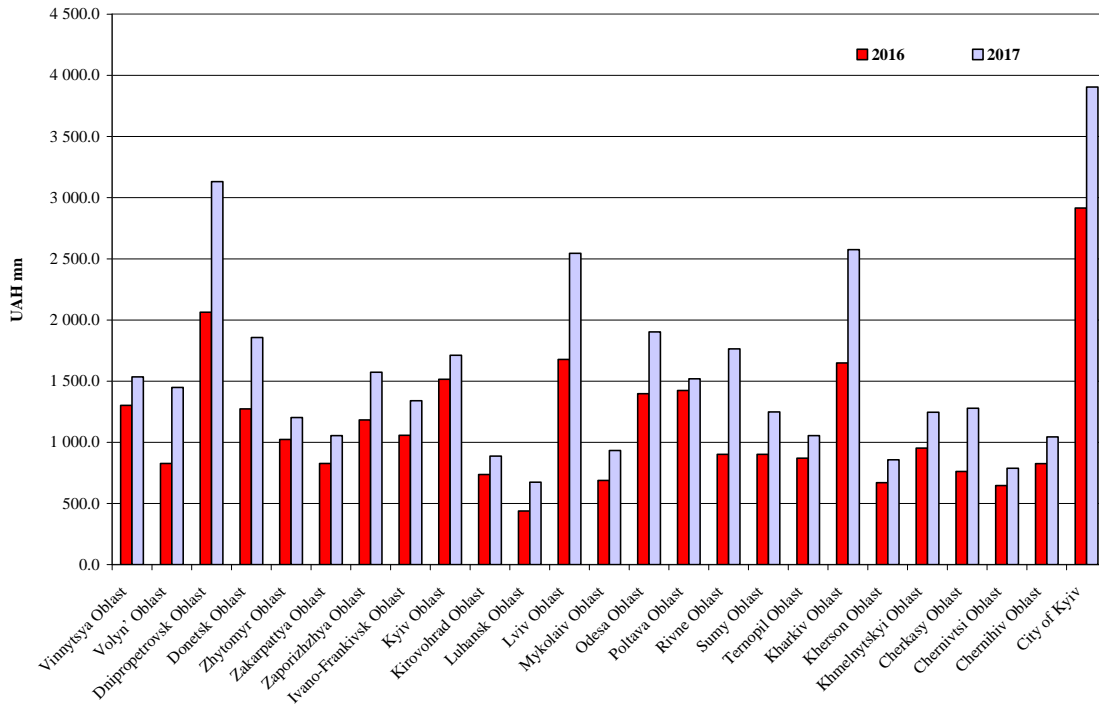
Diagram 21

Structure of Local Budget Expenditures by Functional Classification in March 2017



* Expenditures for social and cultural sphere - 86.0%

Regional Distribution of Local Budget Expenditures in March 2016–2017



Local Budget Expenditures, Growth Rate by Region in March y 2017 (% vs. previous year)

