

MONTHLY MONITORING

OF MAIN INDICATORS
OF THE BUDGET SYSTEM OF UKRAINE
AS OF MAY 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 323.9bn in January-April 2017, which is UAH 104.8bn or 47.8% more year-on-year.
- **The state budget** received UAH 257.6bn in the same period, which is UAH 86.9bn or 50.9% more year-on-year. The annual plan was fulfilled by 35.4%. This is significantly more than the share of revenues for the first four months in the total annual revenues during the last ten years, which amount to 29.9% on average and points to a high likelihood of the plan being exceeded in annual terms.

A distinctive feature of budget execution in the given period involved the intake of UAH 29.9bn of confiscated funds and earnings from sale of the property confiscated under court rulings for having committed corruption and related crimes. On 28 January 2015, the State Financial Monitoring Service froze \$1.42bn in accounts of non-resident companies linked to Viktor Yanukovich, his family, former government officials, and related persons. On 28 April, the court of last resort ruled in favor of the confiscation of those seized funds*.

In addition, tax revenues from key sources have also increased, other than profit tax (-UAH 1.7bn or 10.7%). The amounts of revenues from other tax sources grew: Value-added tax on domestically produced goods increased by nearly UAH 14.1bn or 29.8%; VAT on imports by UAH 21.9bn or 40.4%; personal income tax by UAH 4.5bn or by a quarter; excise tax by UAH 5.6bn or 21.3%; taxes on foreign trade and external transactions by UAH 1.0bn or 15.5%); and rent and fees for the use of other natural resources by UAH 6.2bn or 39.5%.

Non-tax revenues also increased (by UAH 14.7bn or nearly double). This occurred primarily thanks to the remittance of UAH 10.0bn by the National Bank of Ukraine according to the Law of Ukraine "On the National Bank of Ukraine." There were no such remittances to the state budget in January-April 2016.

- **Expenditures of the consolidated budget** totaled UAH 285.2bn in January-April 2017, which is 27.5% or UAH 61.5bn more year-on-year. In April 2017, expenditures amounted to UAH 68.6bn, which is 30.1% or UAH 15.9bn more than in April 2016.

The amounts of consolidated budget expenditures increased for nearly all the items within the functional classification of expenditures based on year-on-year terms.

The highest growth was in the expenditures for housing and communal services at 2.3 times against April 2016. They reached UAH 1.4bn. Significant growth is noted in the expenditures for public order, security, and the judiciary (64.4%), general government functions (58.1%), social protection and social security (41.8%), economic activity (40.8%), education (37.9%), healthcare (34.3%), and defense (23.1%). Expenditures also increased for environmental protection (10.9%).

The expenditures for spiritual and physical development decreased by 12.5%.

- **The actual expenditures of the state budget of Ukraine** totaled UAH 240.2bn in January-April 2017, which is 24.0% or UAH 46.6bn more year-on-year. In April 2017, expenditures amounted to UAH 55.7bn or 4.1% more than in April 2016.

In terms of expenditure items by **functional classification**, the following changes were observed compared to April 2016:

- expenditures for general government functions, other than expenditures for state debt servicing, increased by 44.0% to UAH 2.1bn. The expenditures for state debt servicing totaled UAH 6.6bn, which is 12.2% more year-on-year;

* <http://www.pravda.com.ua/news/2017/04/28/7142538/>

- expenditures for defense decreased by 7.0% to UAH 4.8bn;
- expenditures for public order, security, and the judiciary increased by 27.4% to UAH 5.8bn;
- expenditures for economic activity increased by 27.6% to UAH 2.3bn;
- expenditures for environmental protection increased by 10.2% to UAH 368.9mil;
- expenditures for housing and communal services decreased by 29.0% to UAH 0.9mil;
- expenditures for healthcare increased by 16.8% to UAH 757.9mil;
- expenditures for spiritual and physical development increased 2.2 times to UAH 714.2mil;
- expenditures for education increased by 23.1% to UAH 3.0bn; and
- expenditures for social protection and social security decreased by 23.0% to UAH 10.8bn.

Expenditures for the financing of pensions, bonuses, and extras to the pensions awarded under pension programs and covering the deficit of the Pension Fund were incurred at UAH 9.0bn, which is 28.9% less than in the respective period of 2016.

State budget proceeds **from repaid loans** amounted to UAH 317.9mil in April of this year, including revenues of the General Fund of the state budget of UAH 261.7mn.

In April 2017, the state budget **granted loans** for the total of UAH 480.7mn.

The state budget surplus totaled UAH 29.2bn this month.

Repayment of the state debt principal totaled UAH 10.2bn in April 2017. Repayment of internal debt totaled UAH 9.4bn, that of external totaled UAH 746.0mn.

State borrowing totaled UAH 20.3bn, including internal market borrowing of UAH 3.4bn. External sources **provided loans** totaling UAH 16.8bn, and the special fund for financing joint development projects with international financial institutions received UAH 112.1mn.

The state budget received UAH 11.8mil from the **privatization of state property** in April 2017.

- **The aggregate revenues of local budgets (without inter-budget transfers)** totaled UAH 66.3bn in January-April 2017, which is 26.9% more year-on-year.

In April 2017, these revenues amounted to nearly UAH 19.1bn, which is 43.3% more year-on-year. As usual, the personal income tax was the single largest source of local budget revenues. It generated nearly UAH 8.7bn in April. Local taxes and fees provided UAH 4.4bn.

The highest revenue growth rate by region was recorded in Kyiv Oblast, where it amounted to 128.7% against the respective 2016 figure. Revenue declined in Donetsk Oblast (-0.8%).

- **The local budget expenditures (without inter-budget transfers)** totaled nearly UAH 139.3bn in January-April 2017, which is 52.3% more year-on-year.

In April 2017, expenditures grew by 16.0% against April 2016 to UAH 31.3bn. The largest expenditures of local budgets were in education, social protection and social security, and healthcare. They amounted to UAH 10.0bn (or 31.9% of all local budget expenditures), UAH 8.7bn (or 27.7%), and UAH 6.1bn (19.5%), respectively.

The highest growth rate by region was in Rivne Oblast, where grew by 46.1% over April 2016. Expenditures decreased in four regions, with the most significant drop (25.3%) recorded in Ternopil Oblast.

State Budget Revenue

Graph 1

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

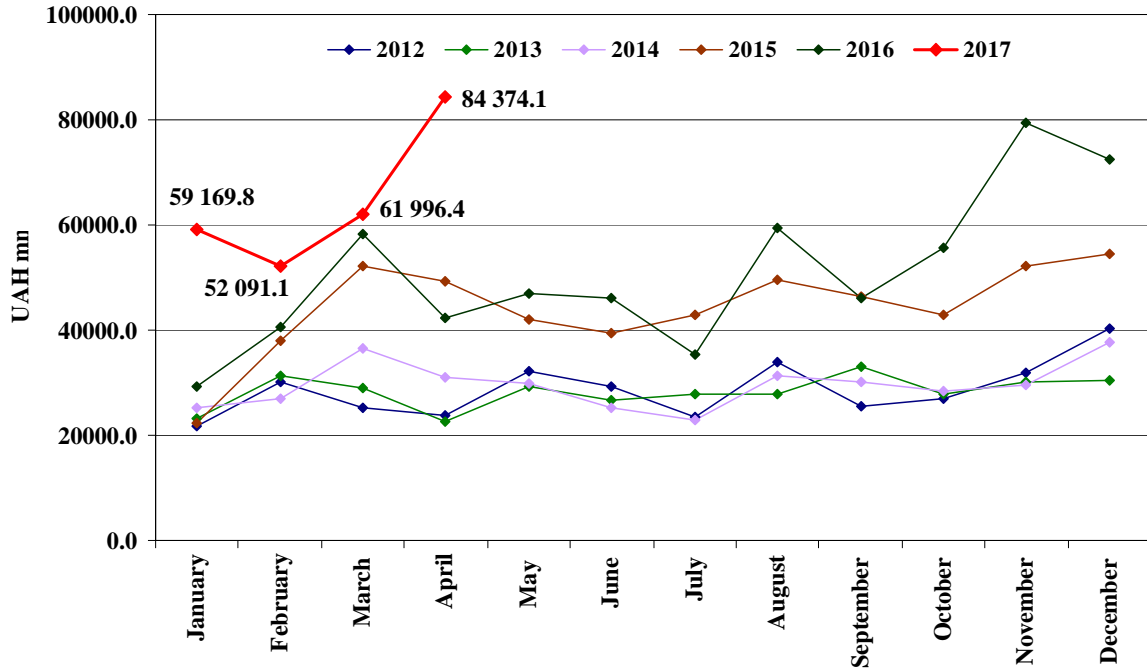
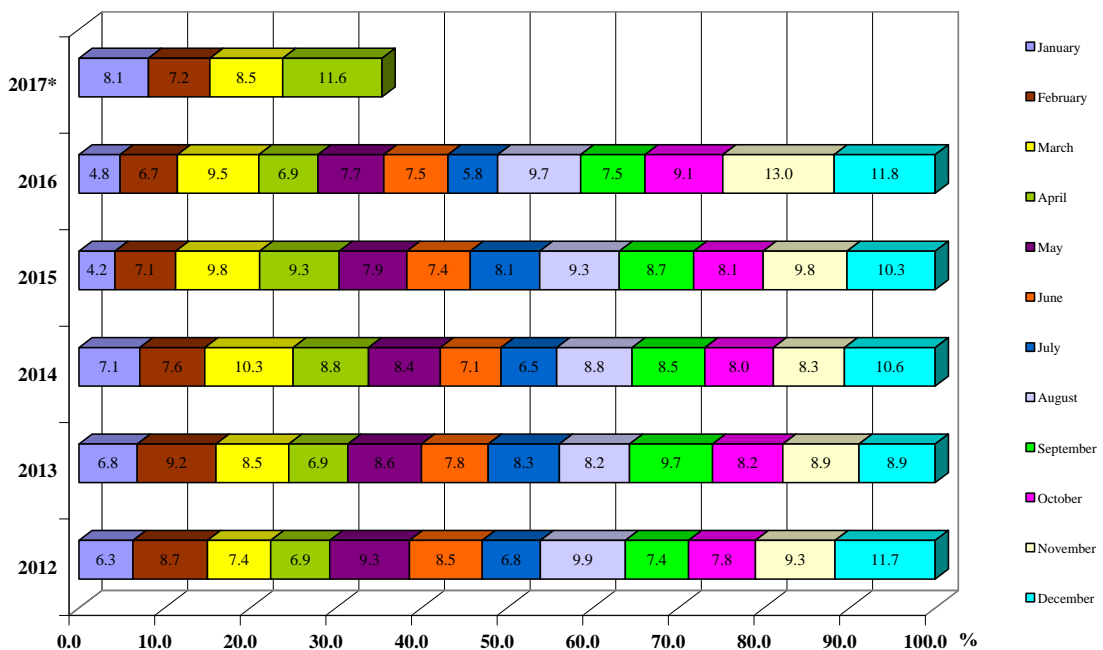


Diagram 1

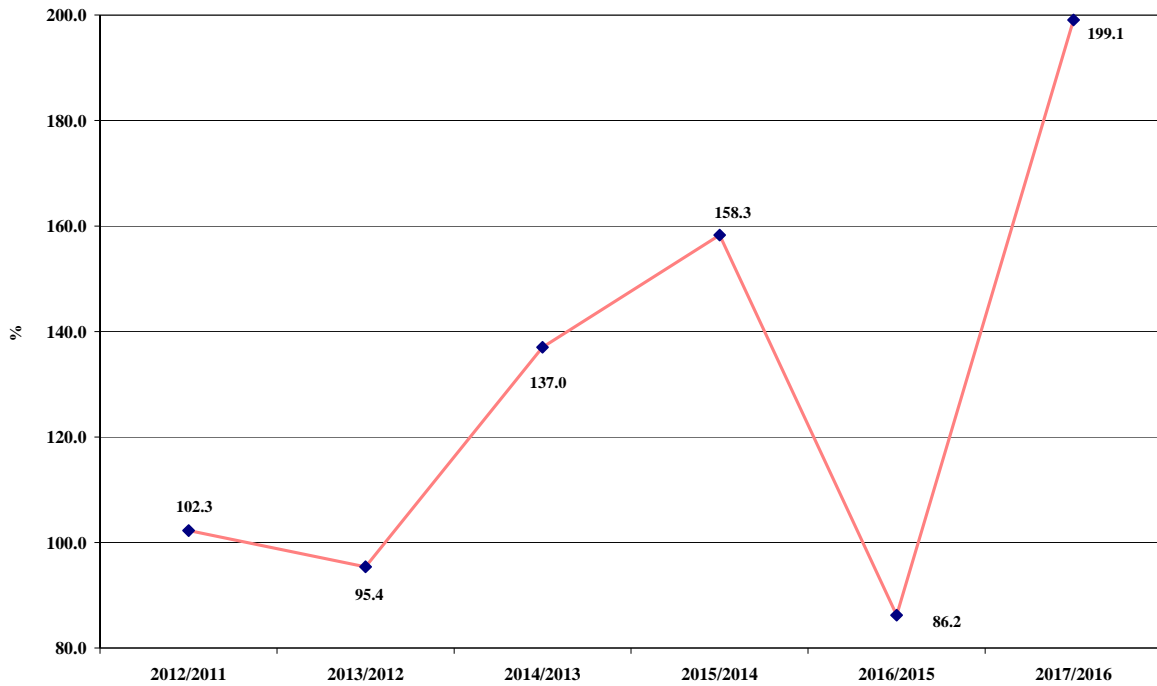
Dynamics of the Share of Ukraine's State Budget Revenue in Annual Amounts in 2012–2017



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

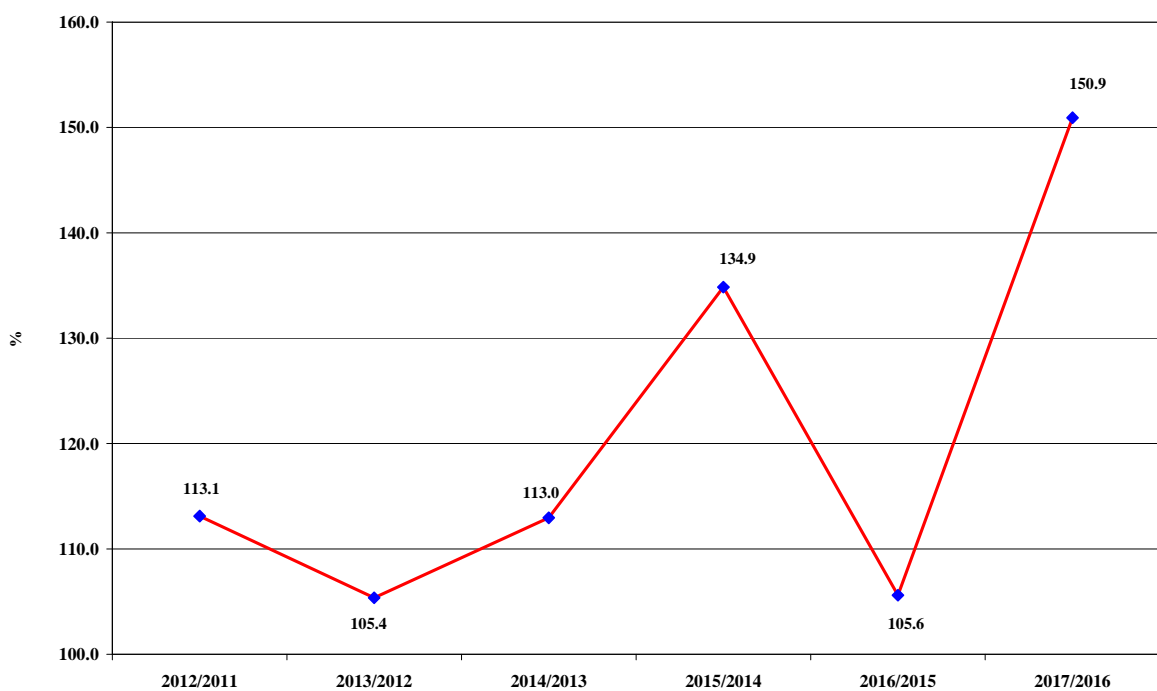
Graph 2

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



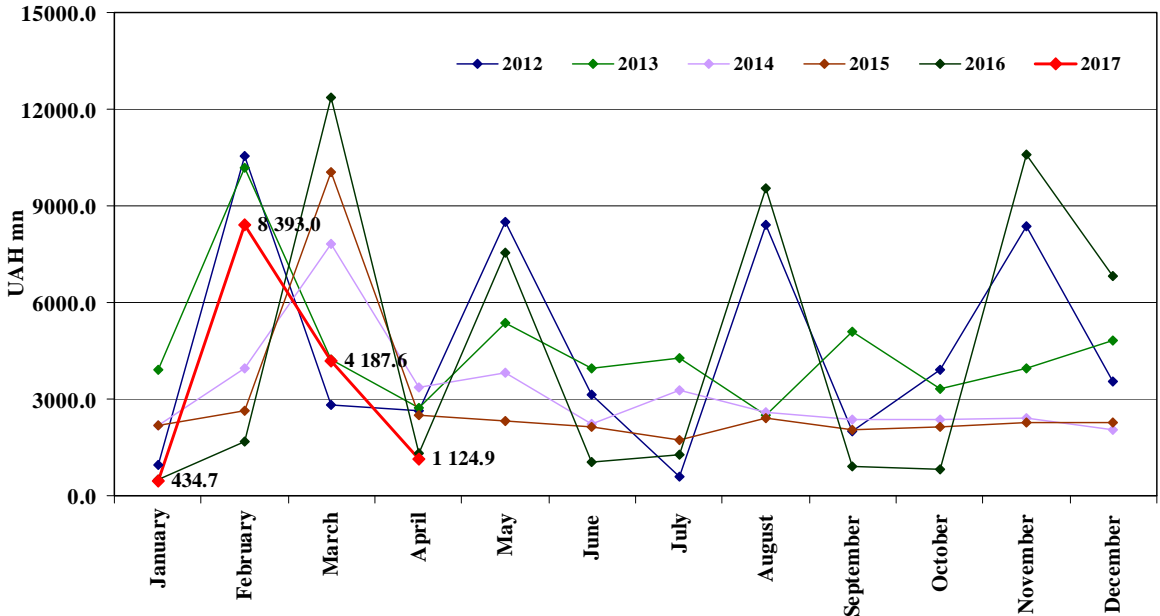
Graph 3

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



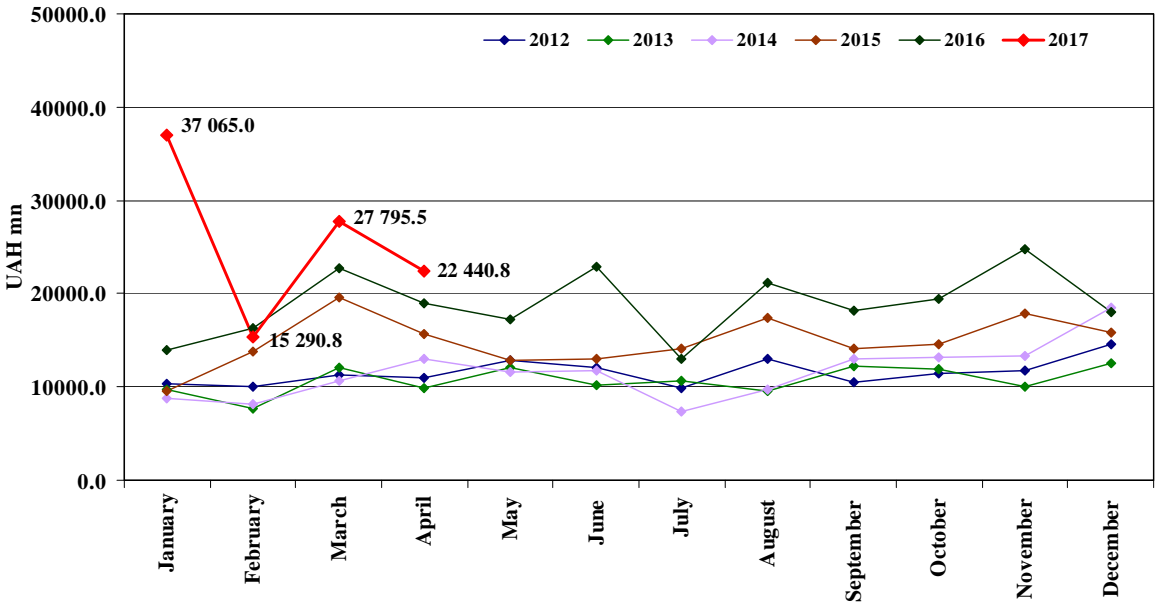
Graph 4

State Budget Enterprise Profit Tax Monthly Trends in 2012–2017



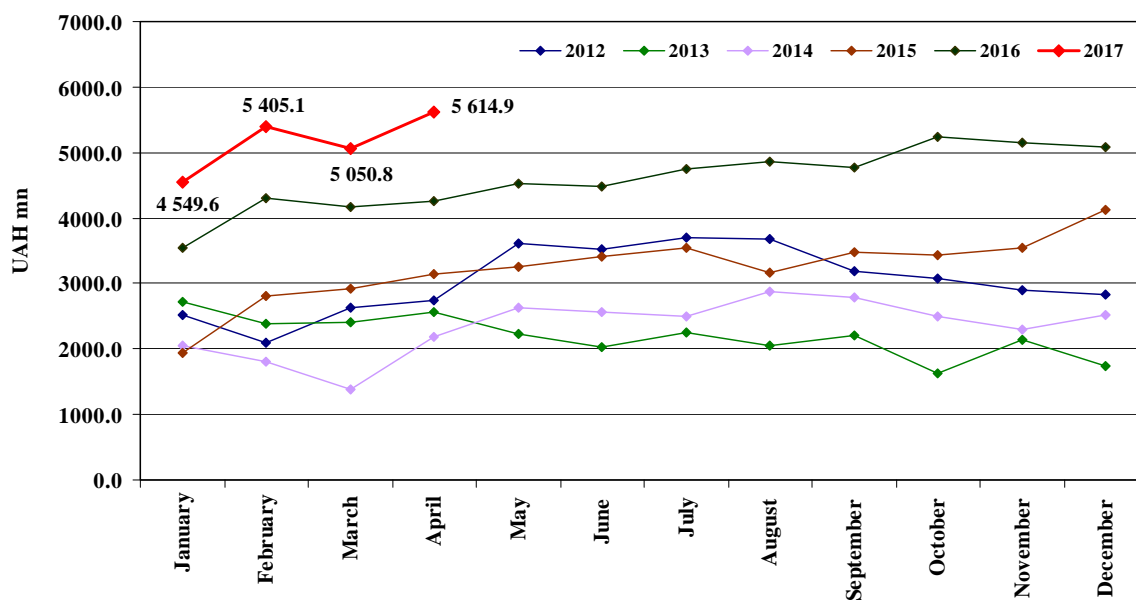
Graph 5

State Budget Value Added Tax Monthly Trends in 2012–2017



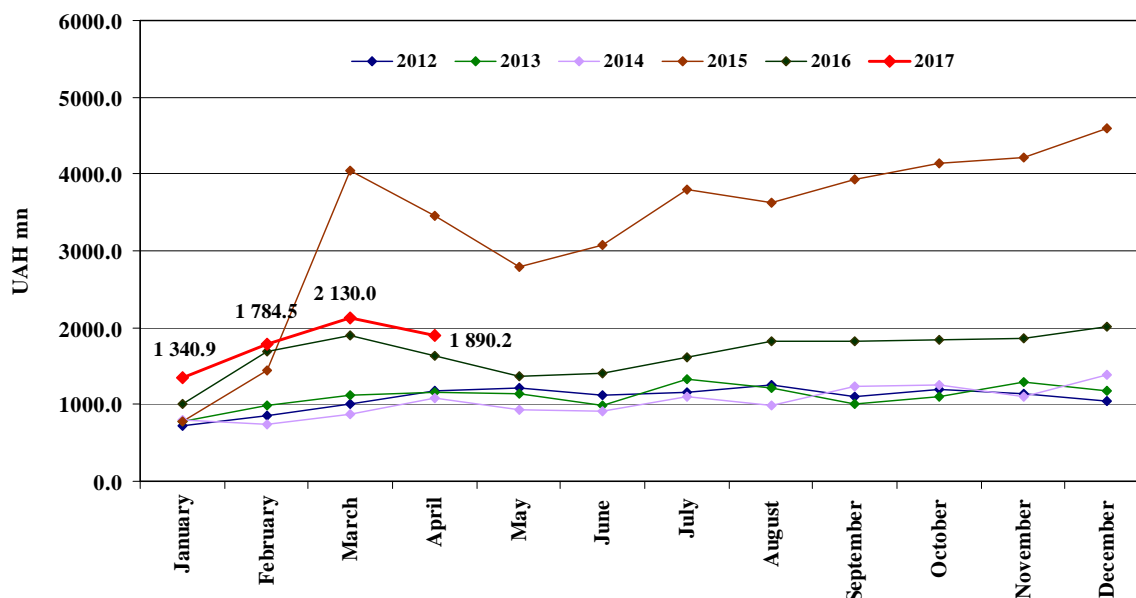
Graph 6

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

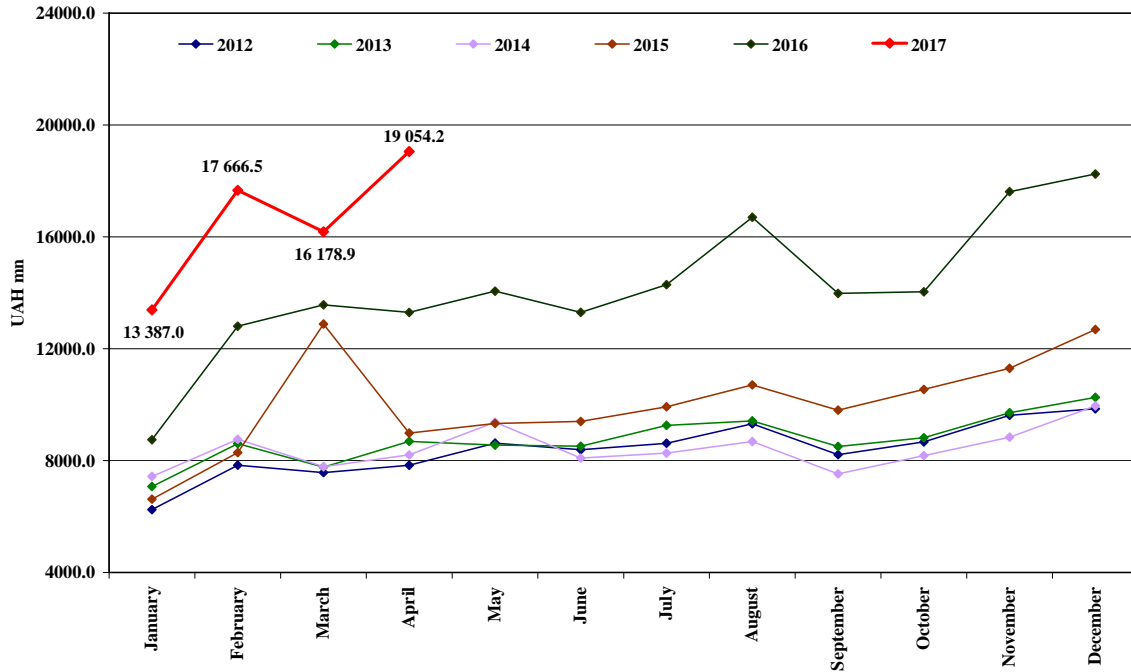
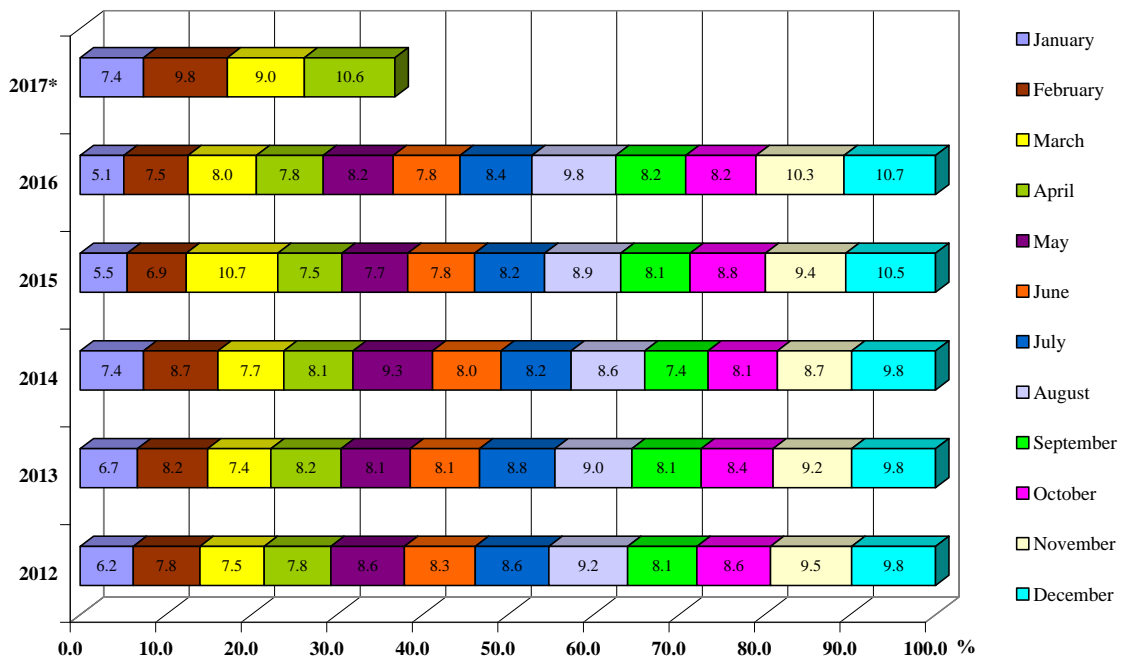


Diagram 2

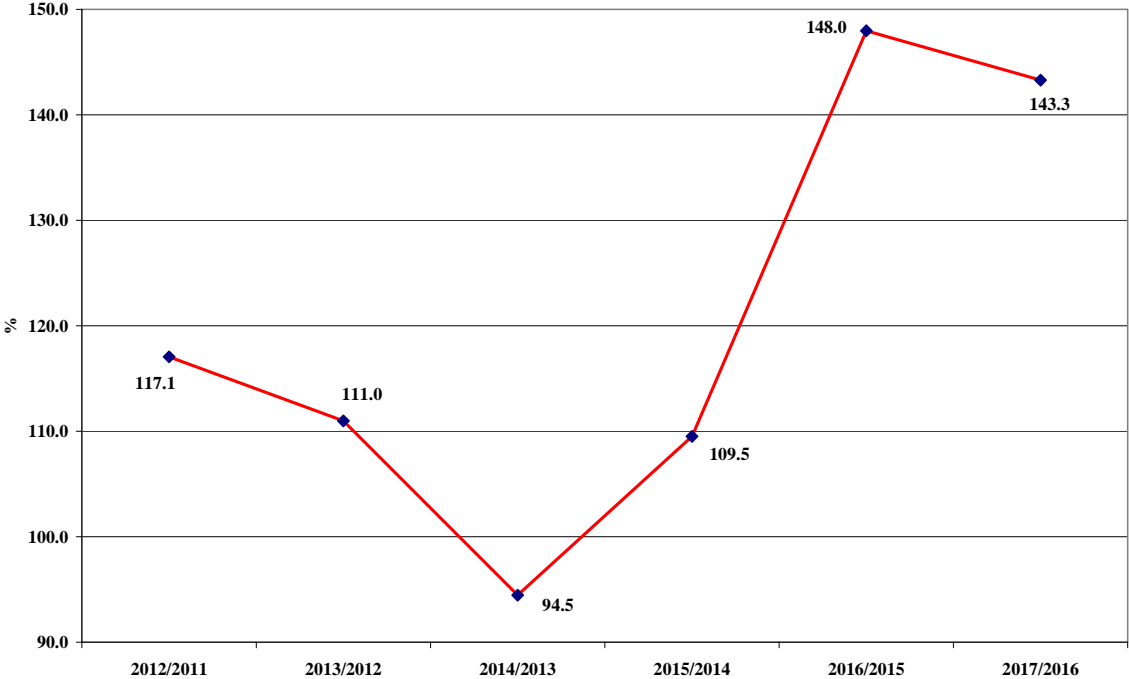
Dynamics of the Share of Local Budget Revenue in Annual Amounts in 2012–2017



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

Graph 9

Growth Rates of Local Budget Revenue in April 2012–2017



Graph 10

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

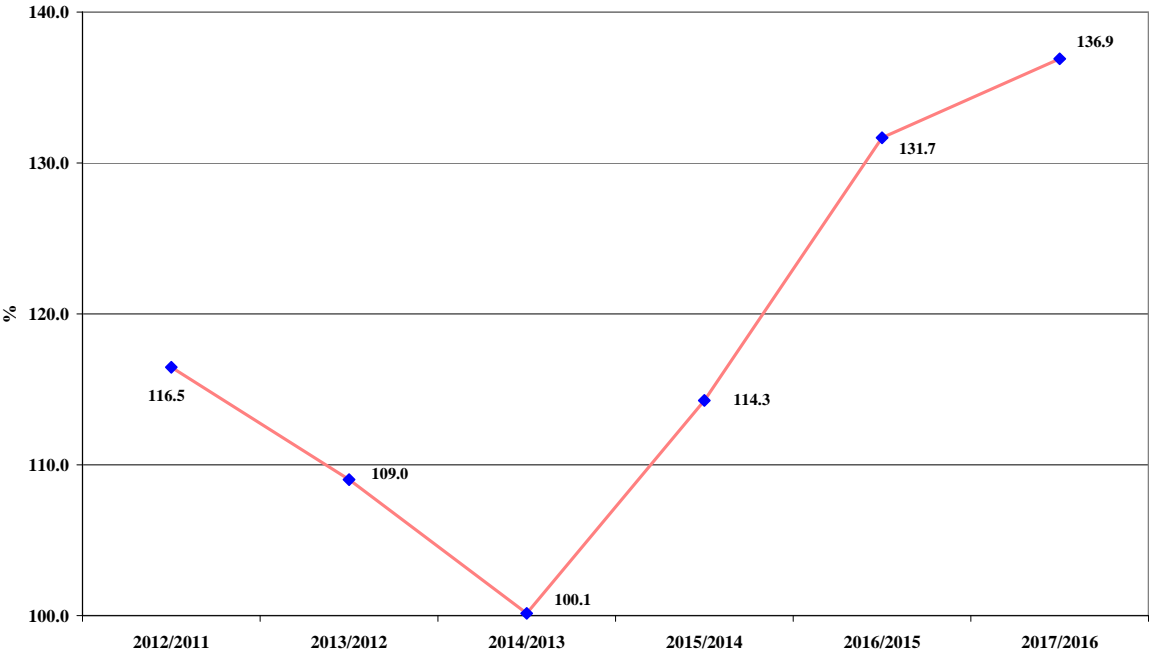


Diagram 3

Local Budget Revenue in April 2017

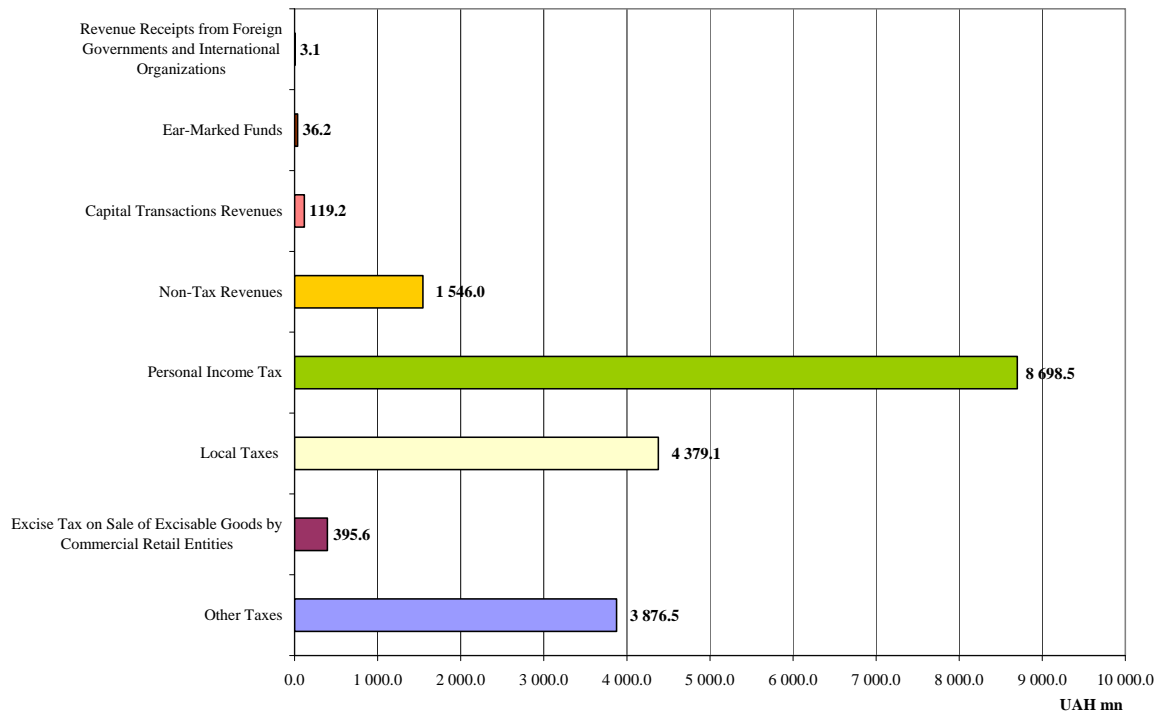


Diagram 4

Structure of Local Budget Revenues in April y 2017

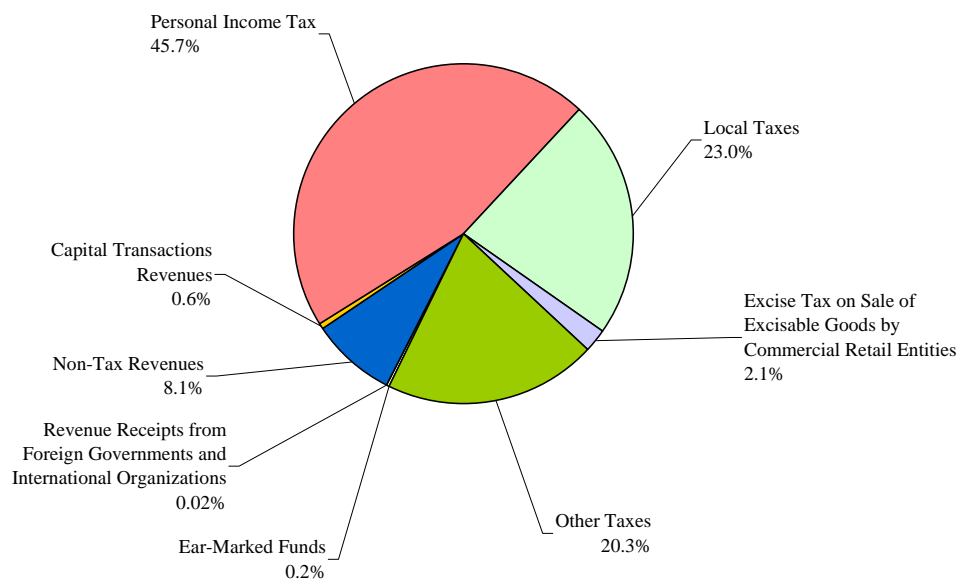
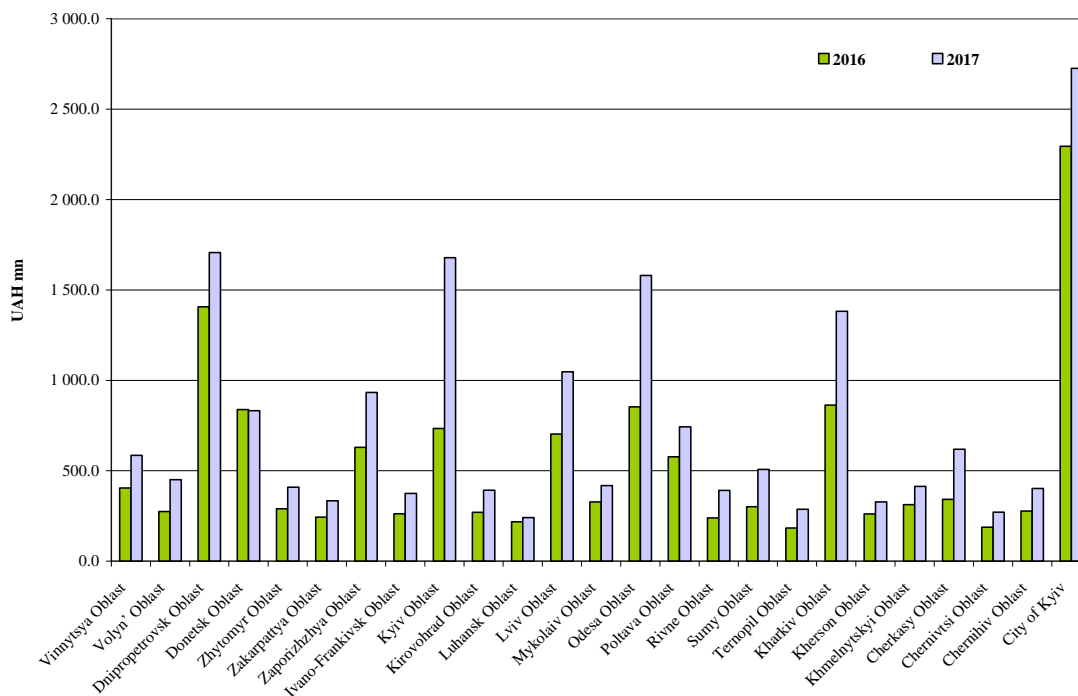


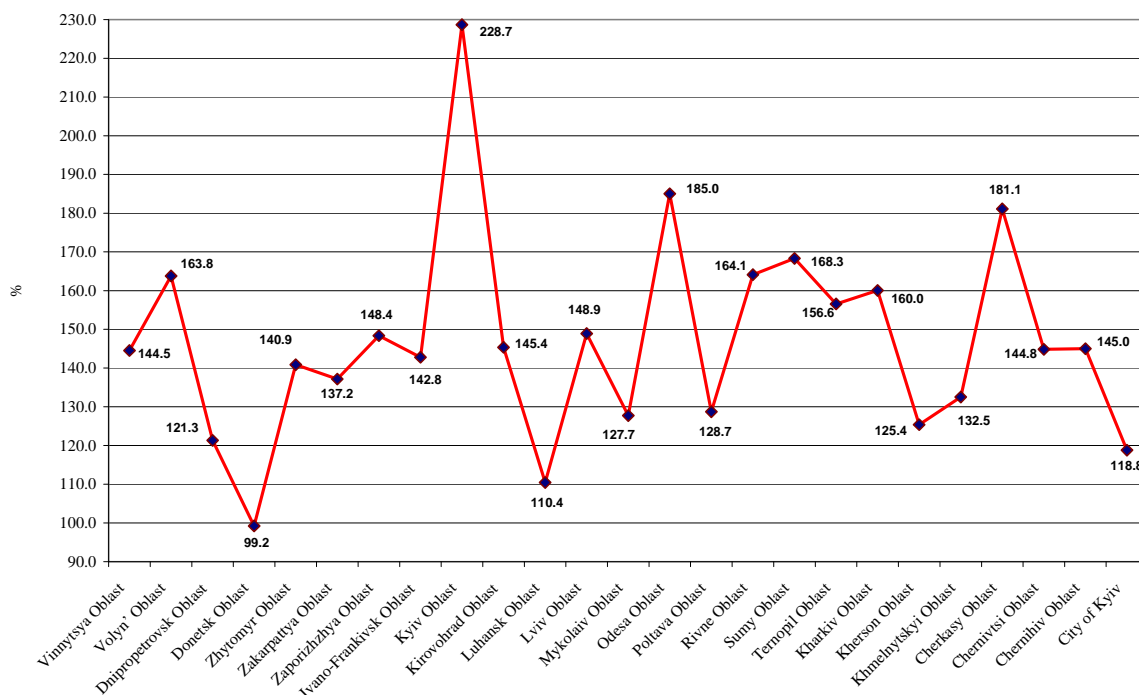
Diagram 5

Regional Distribution of Local Budget Revenue in April 2016–2017



Graph 11

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



State Budget Deficit

Diagram 6

Budget Deficit/Surplus, Monthly Trends in 2012

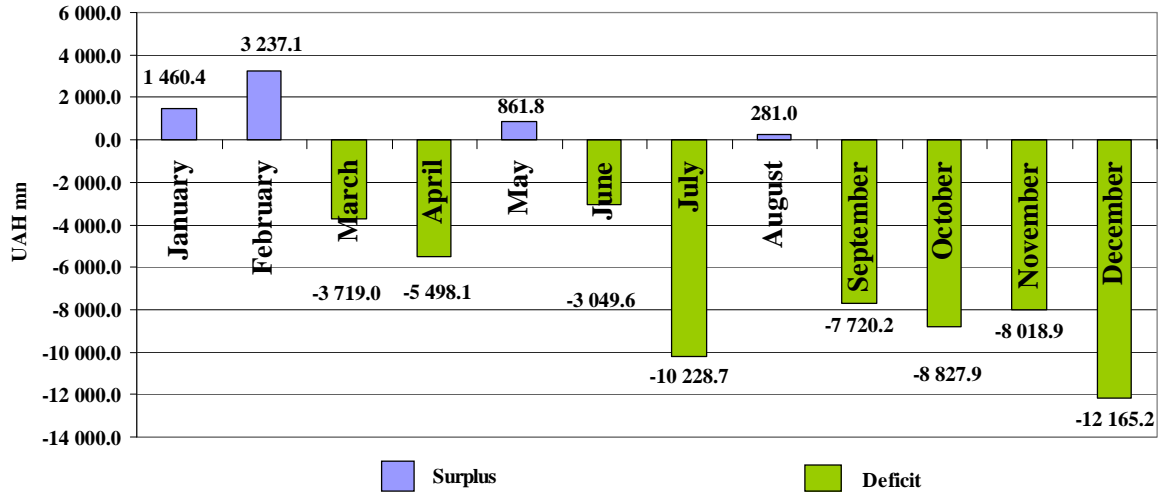


Diagram 7

Budget Deficit/Surplus, Monthly Trends in 2013

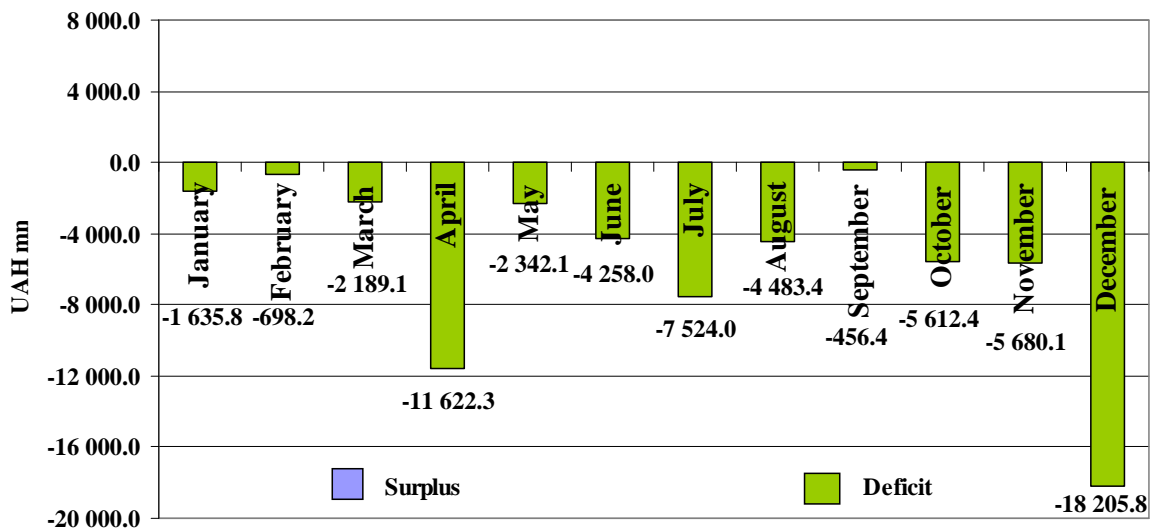


Diagram 8

Budget Deficit/Surplus, Monthly Trends in 2014

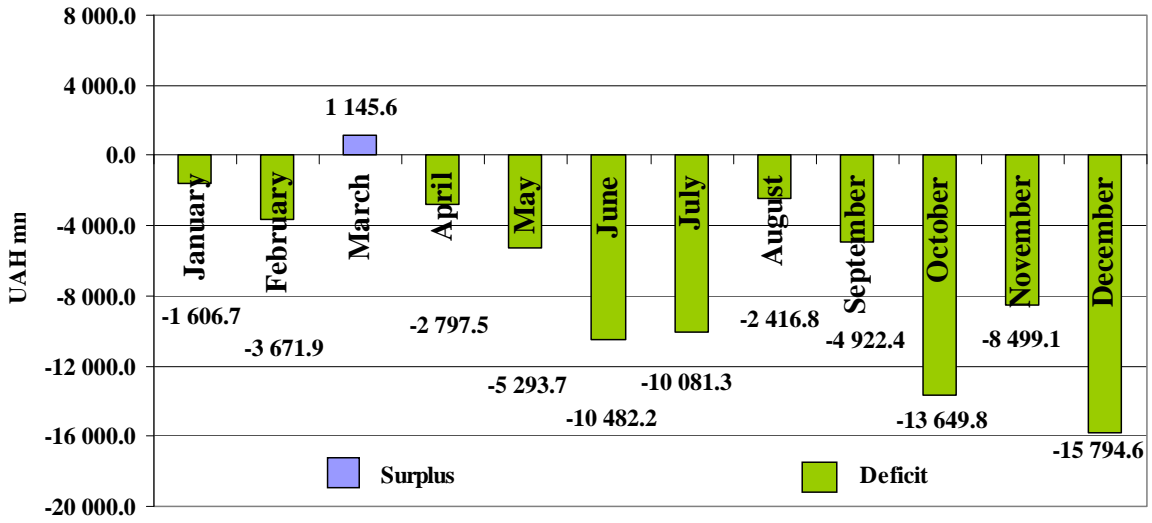


Diagram 9

Budget Deficit/Surplus, Monthly Trends in 2015

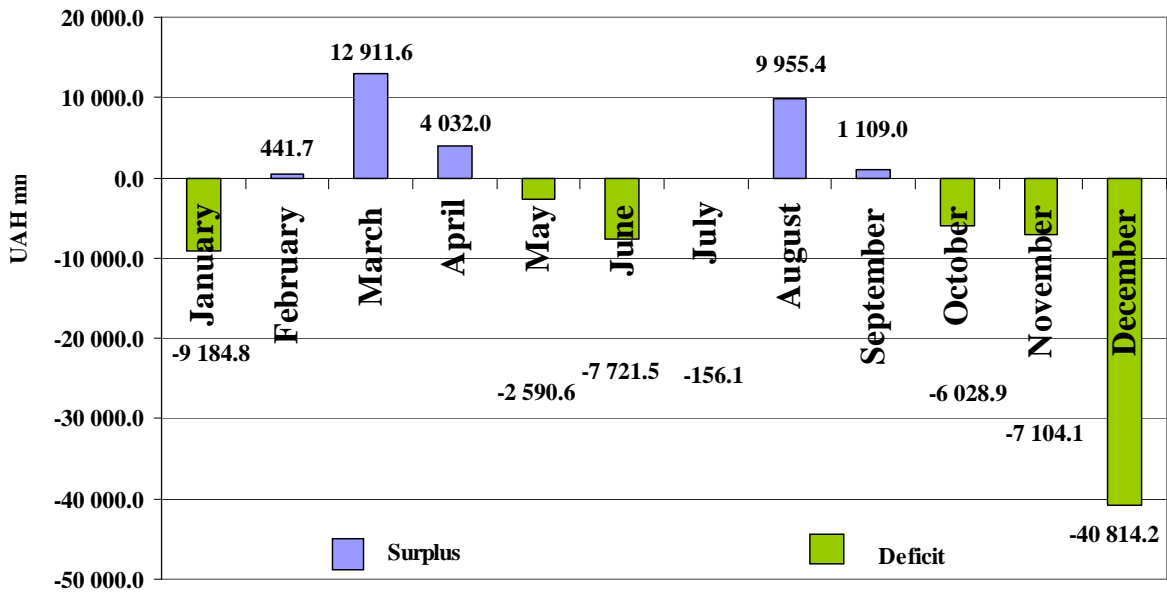


Diagram 10

Budget Deficit/Surplus, Monthly Trends in 2016

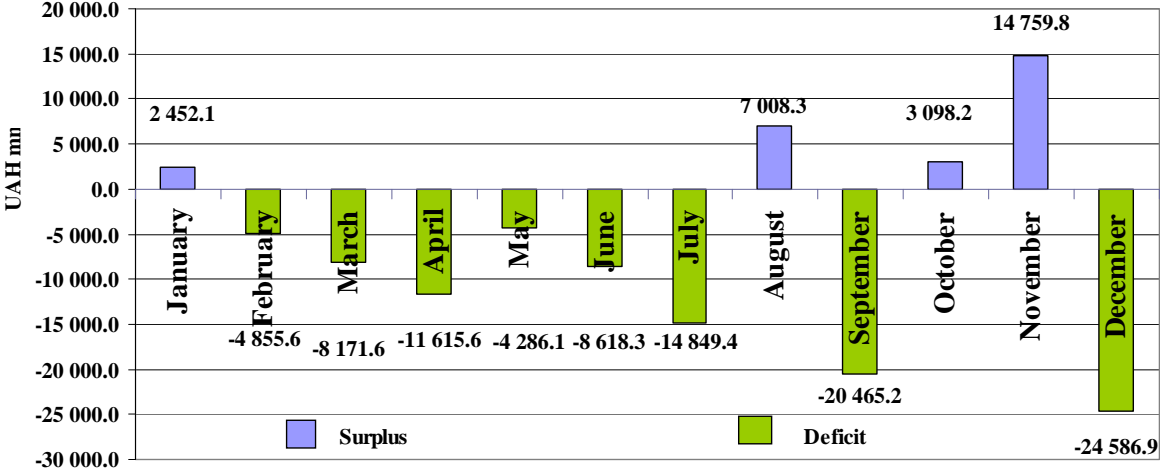
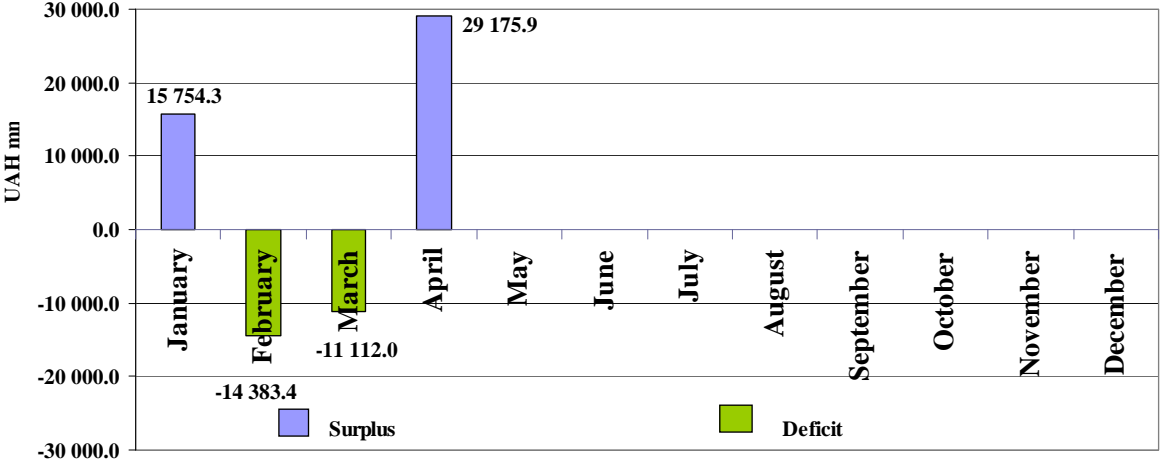


Diagram 11

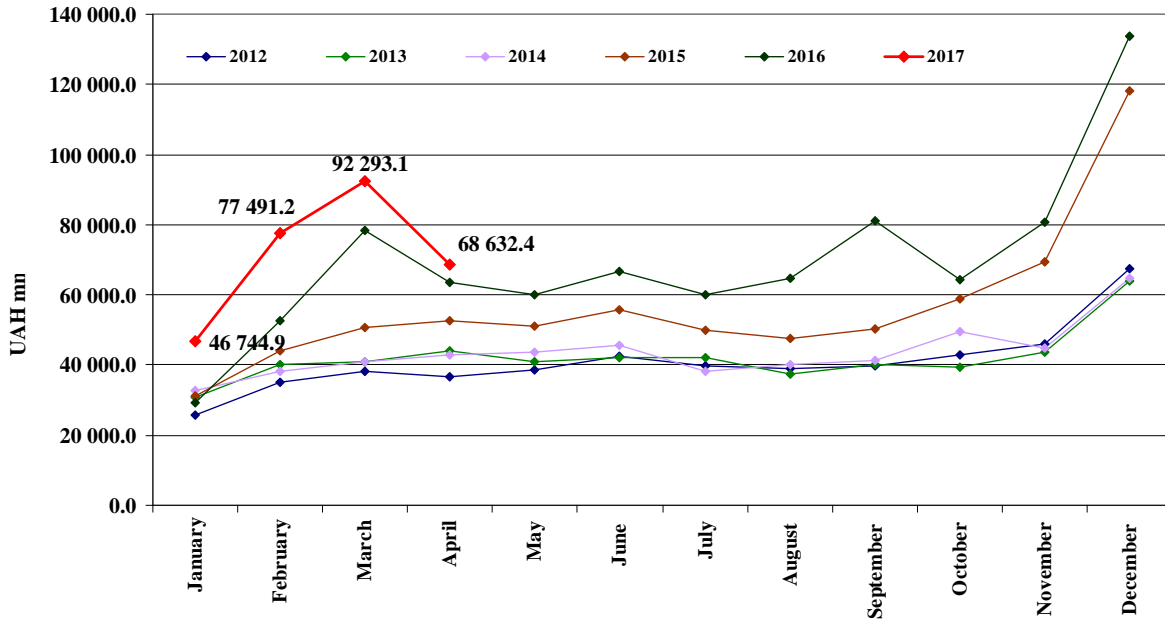
Budget Deficit/Surplus, Monthly Trends in 2017



Consolidated Budget Expenditures

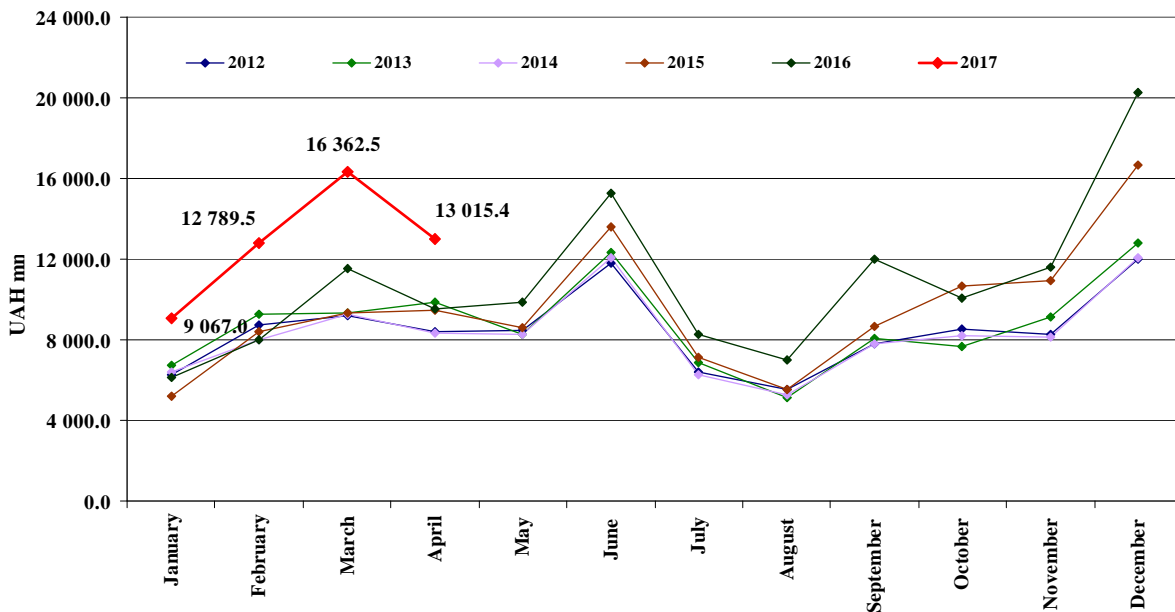
Graph 12

Consolidated Budget Expenditures, Monthly Trends in 2012–2017



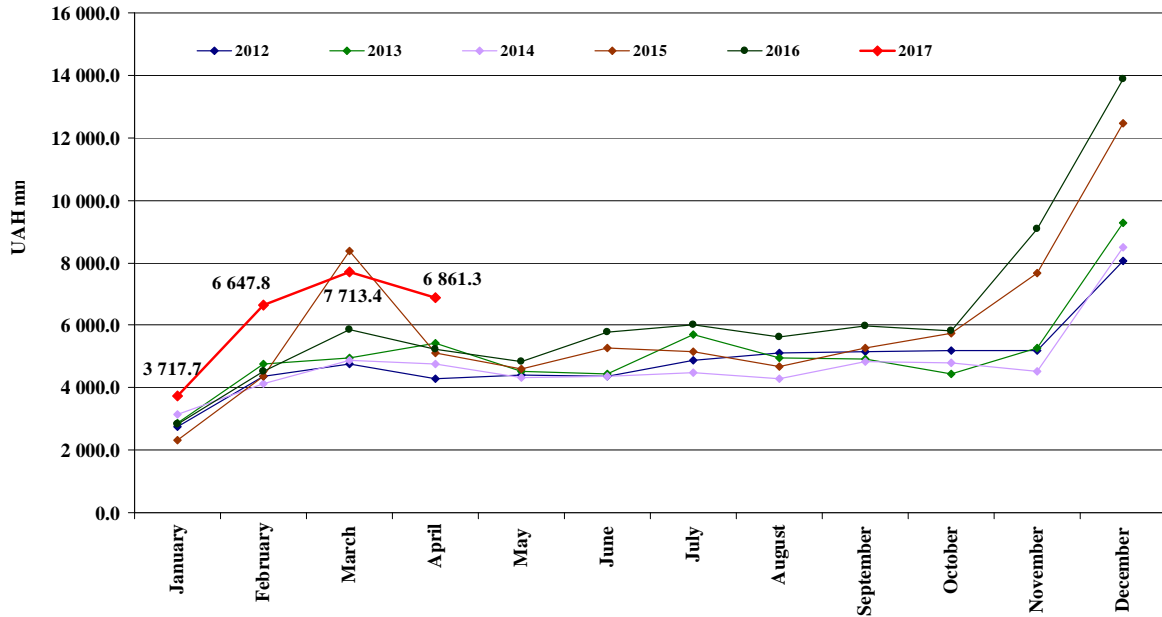
Graph 13

Consolidated Budget Education Expenditures, Monthly Trends in 2012–2017



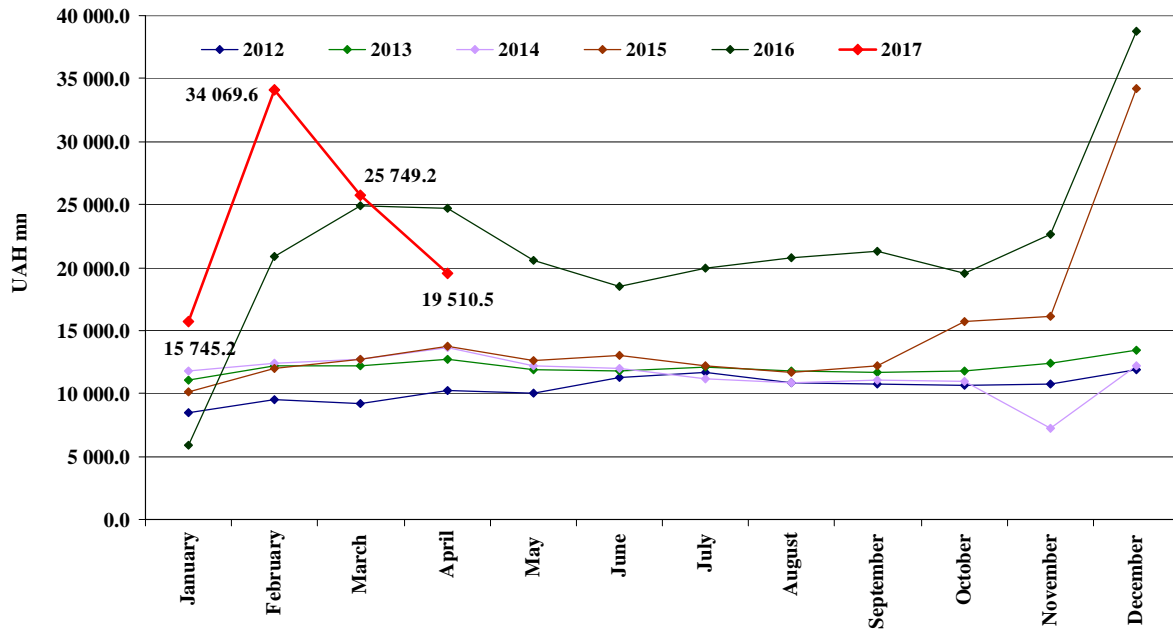
Graph 14

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

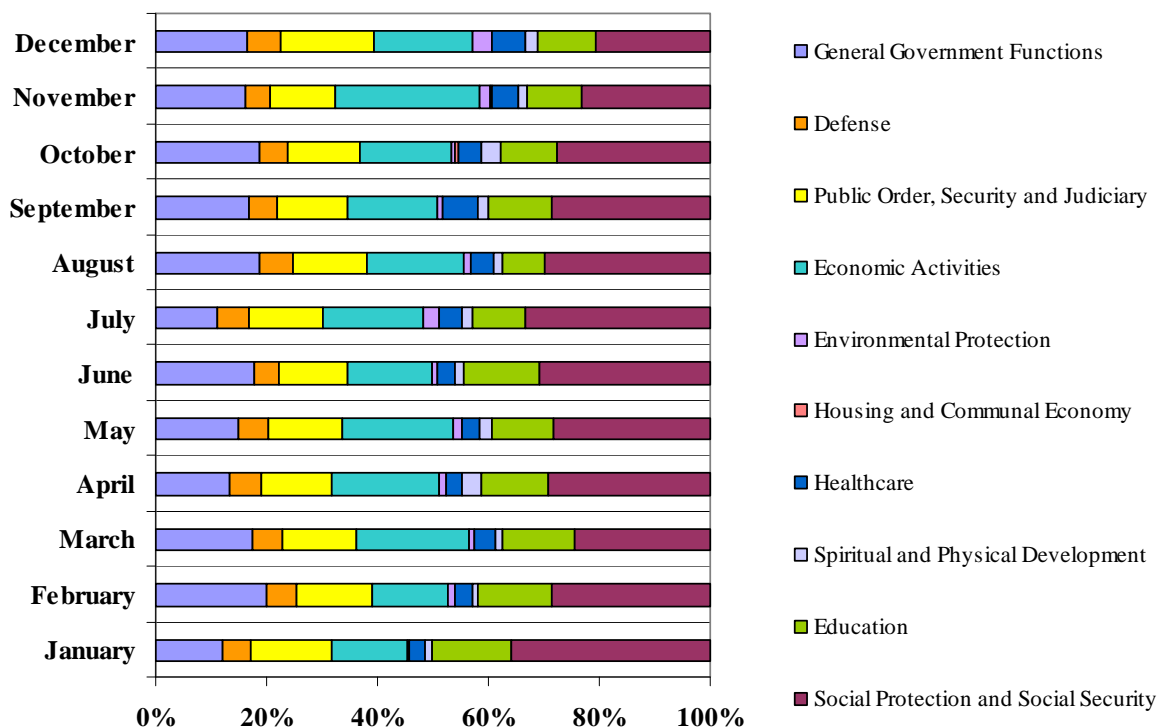


Diagram 13

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

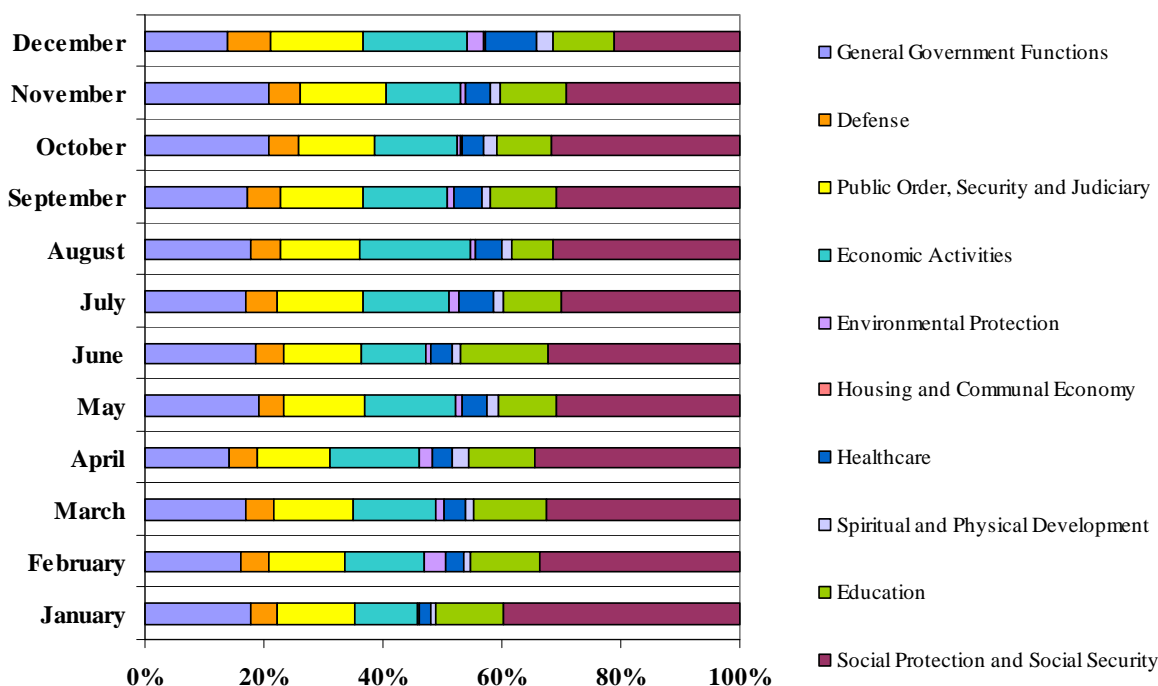


Diagram 14

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

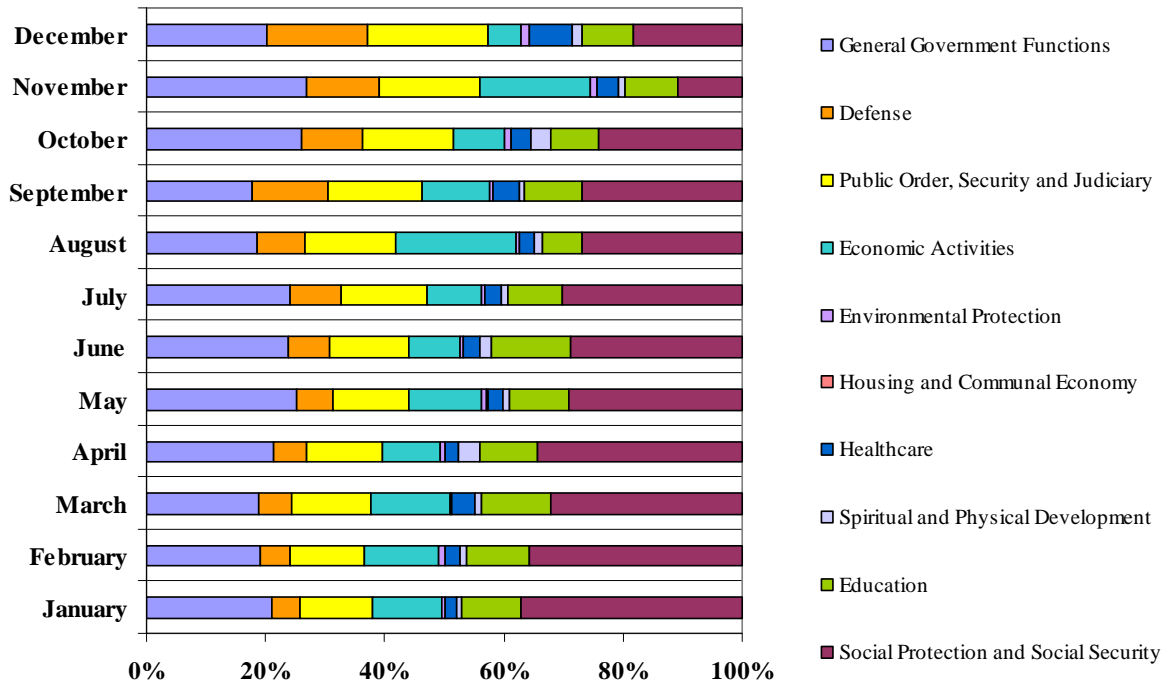


Diagram 15

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

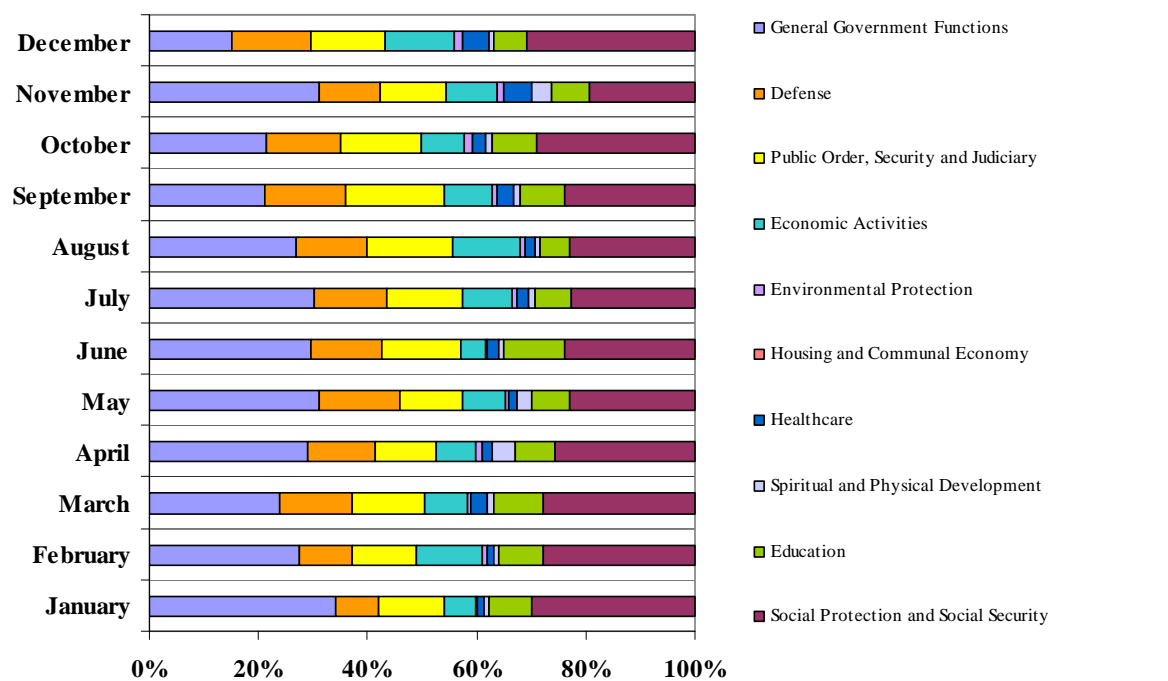


Diagram 16

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

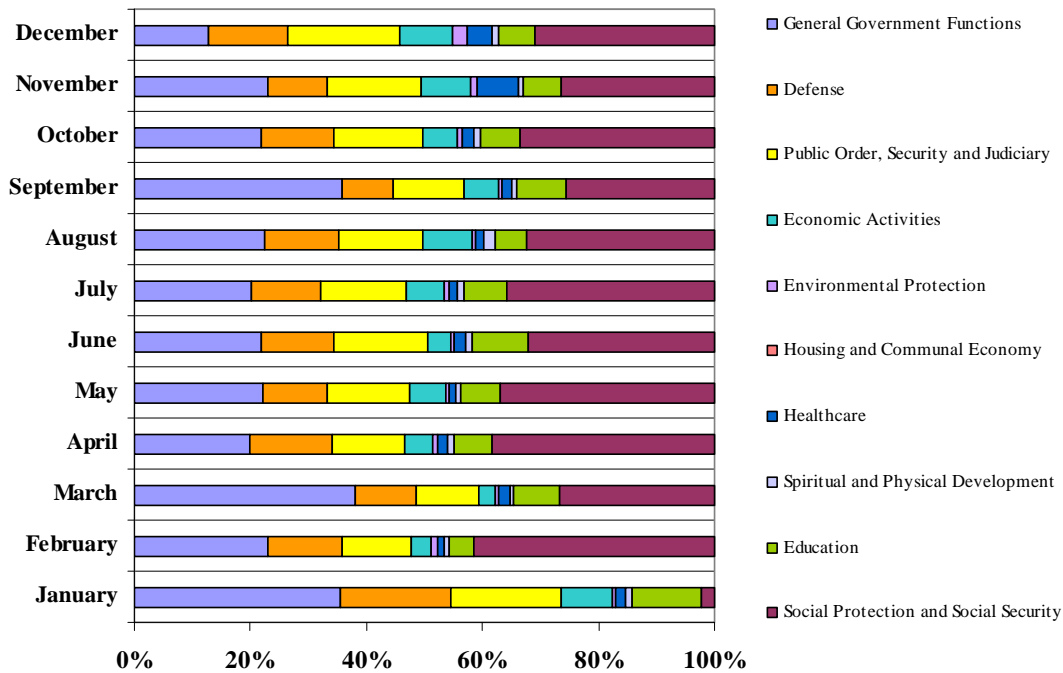
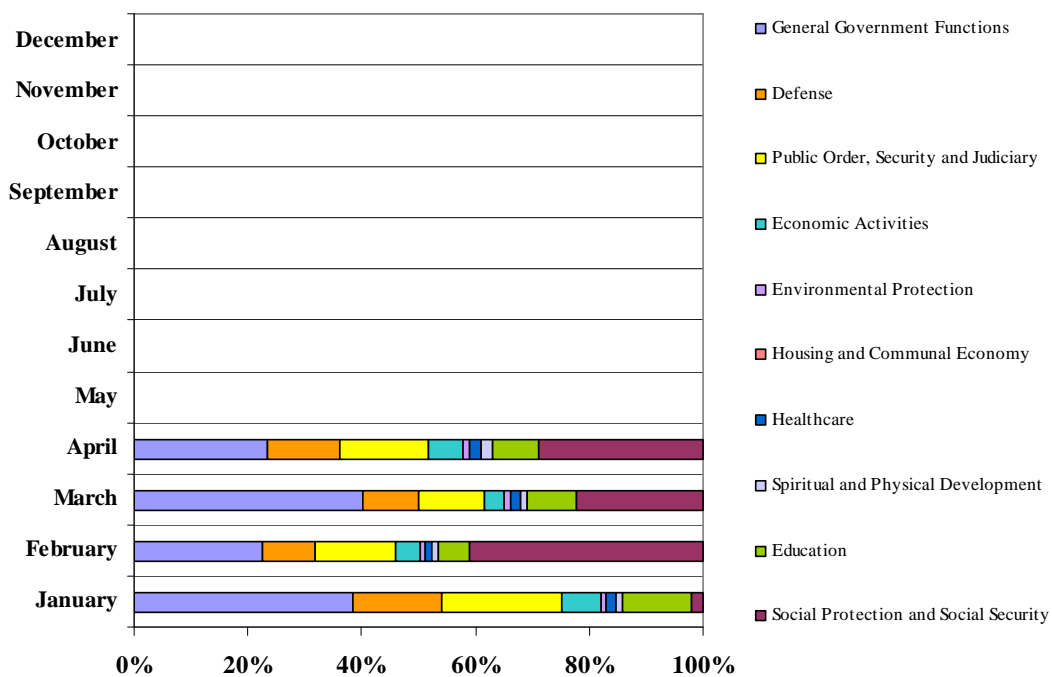


Diagram 17

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



Graph 16

Monthly Trends of State Budget Expenditures in 2012–2017

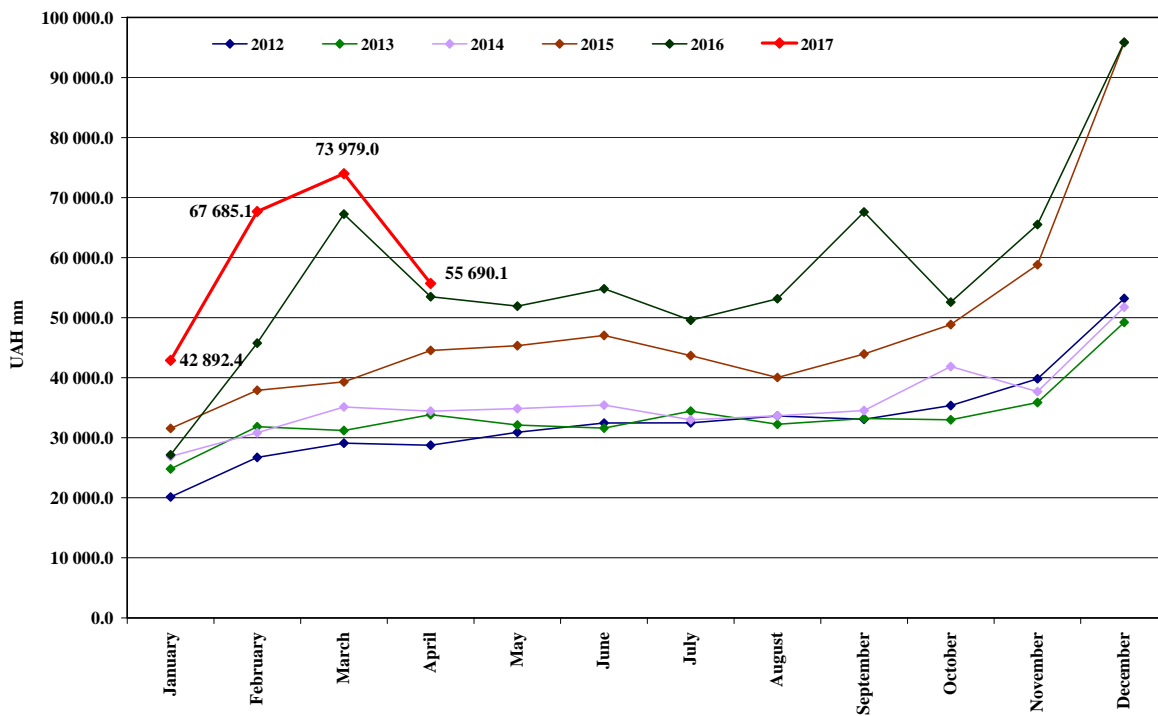
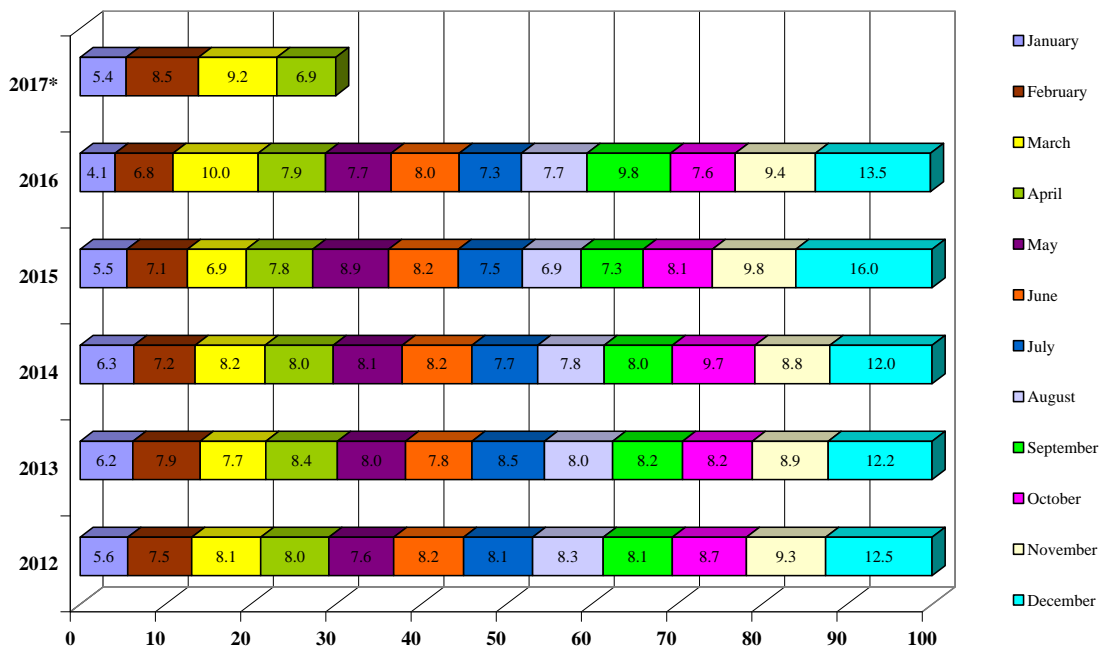


Diagram 18

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

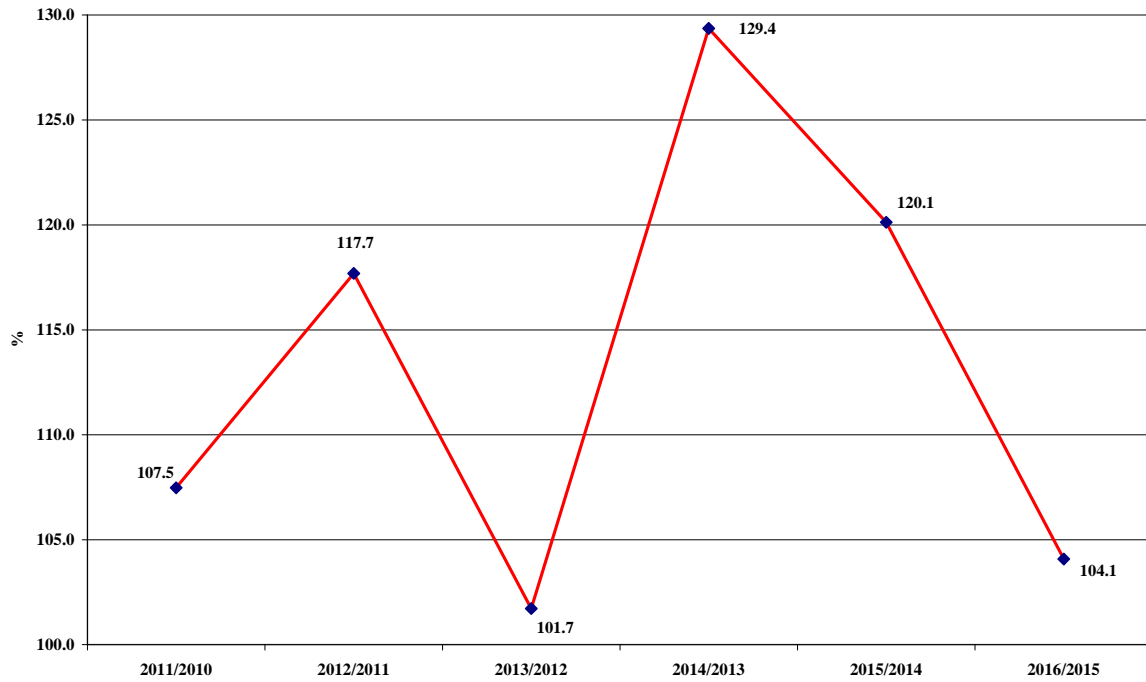


* A share of total expenditures according to the planned annual index

%

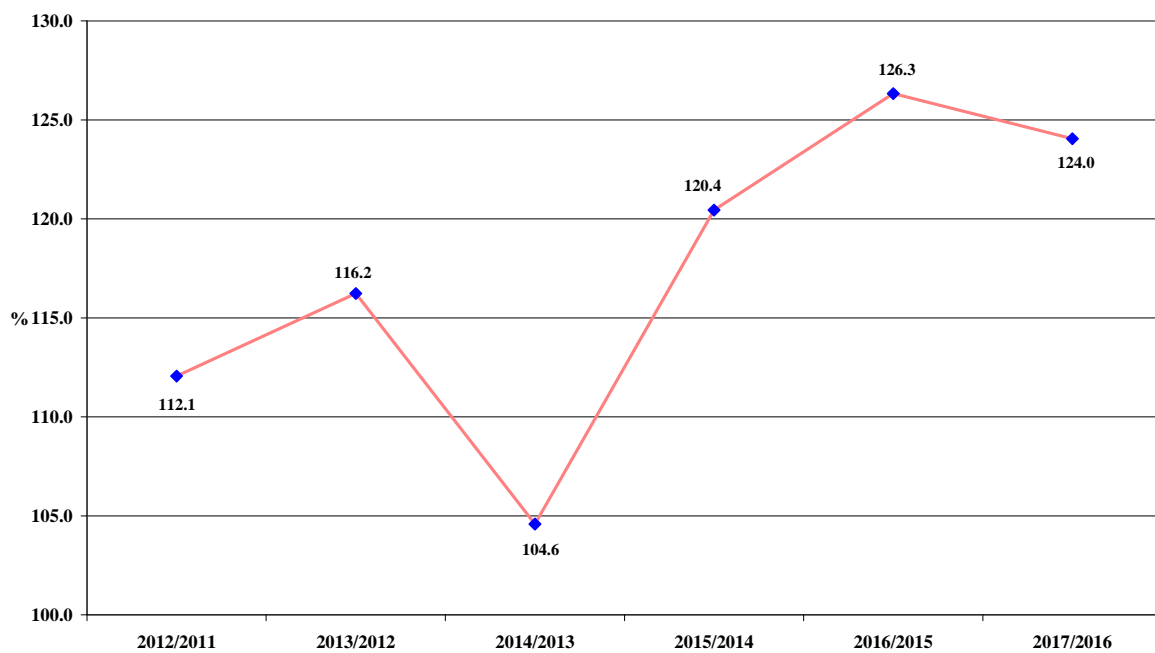
Graph 17

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



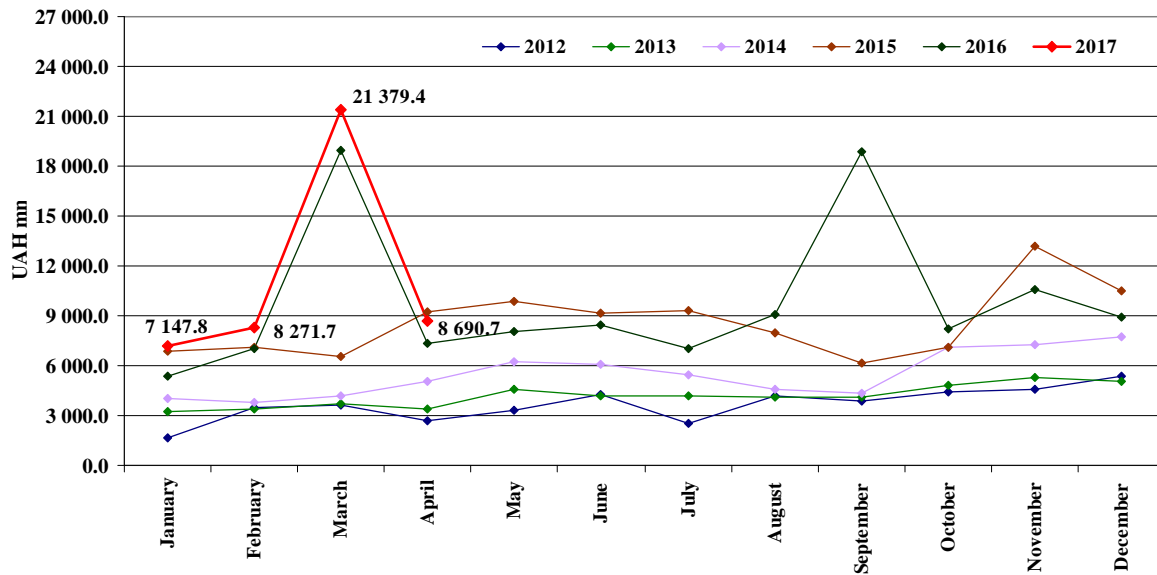
Graph 18

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



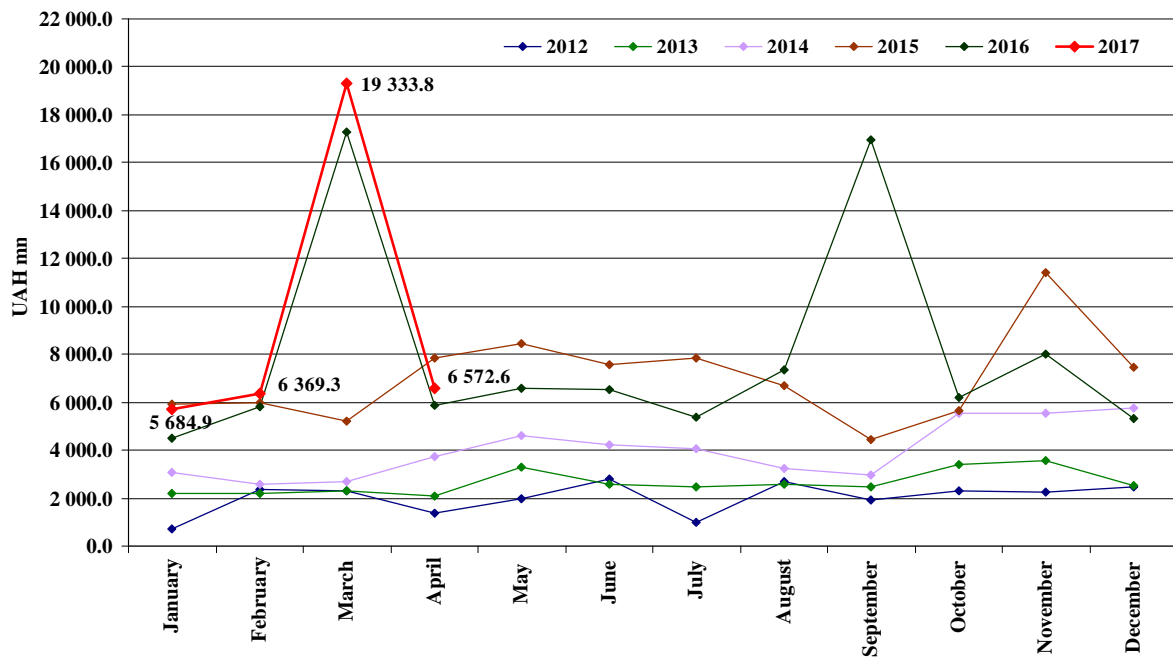
Graph 19

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



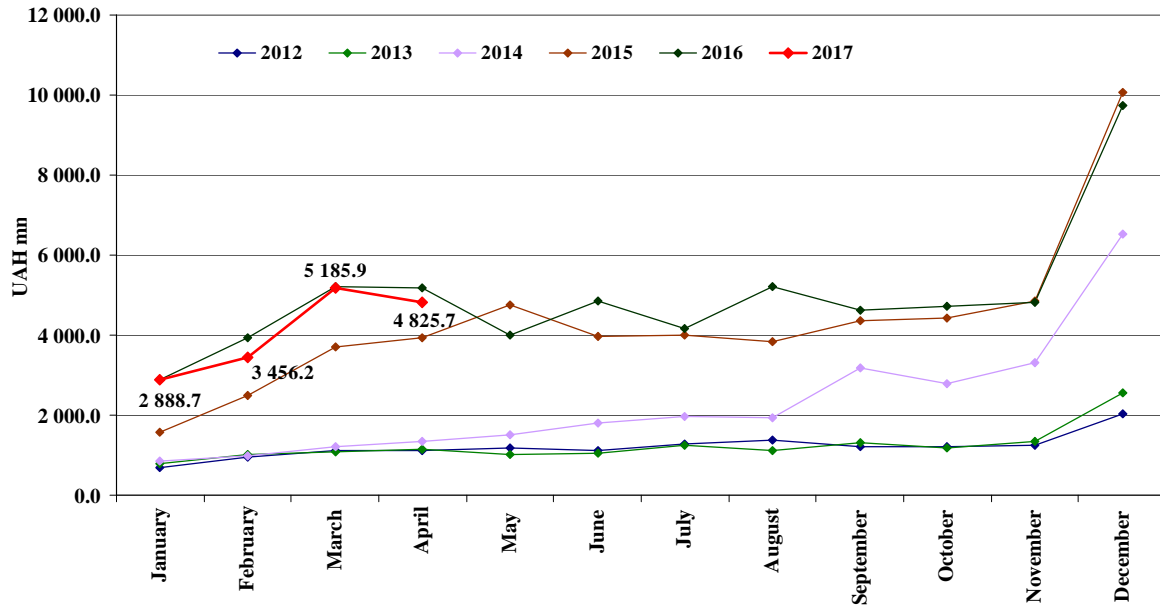
Graph 20

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



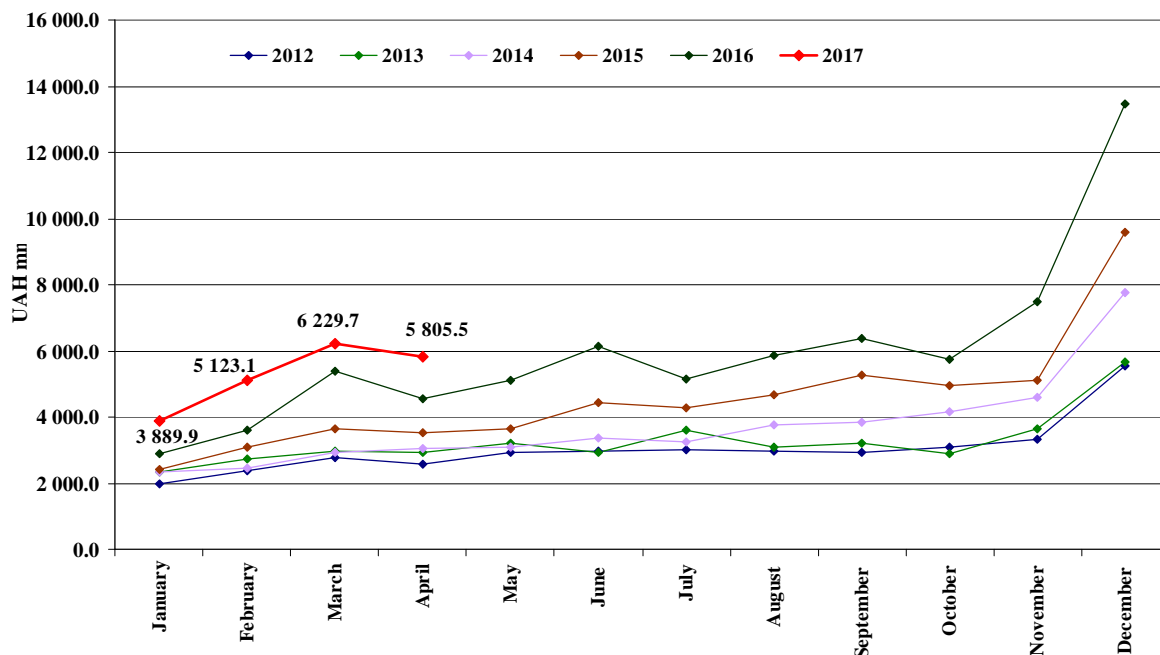
Graph 21

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



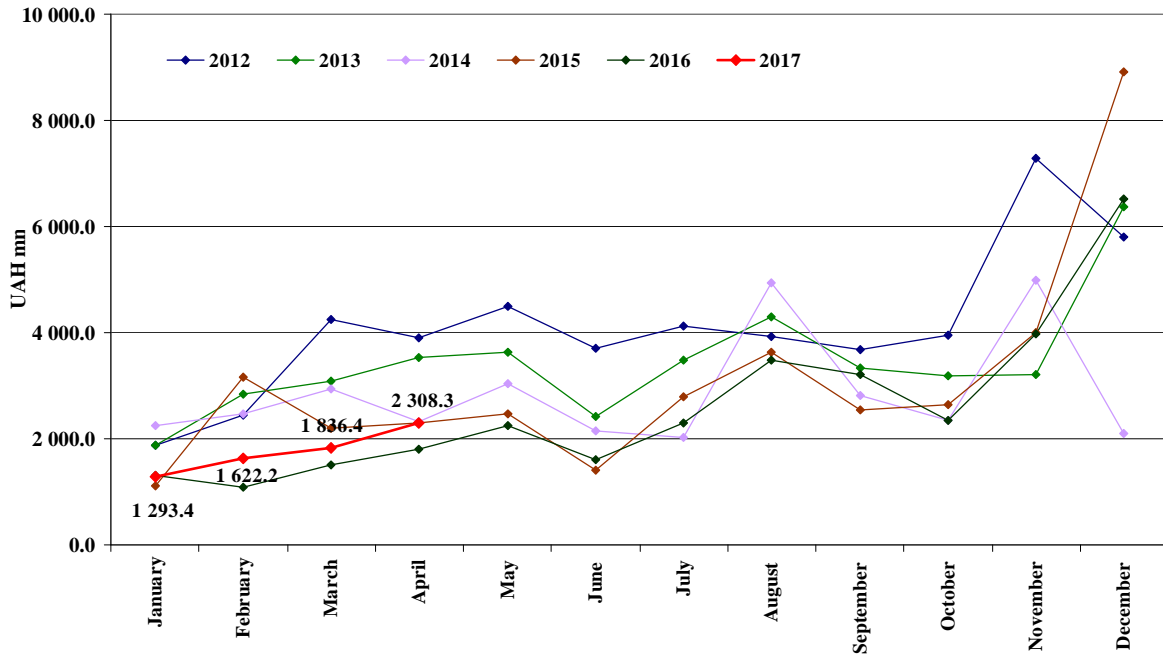
Graph 22

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



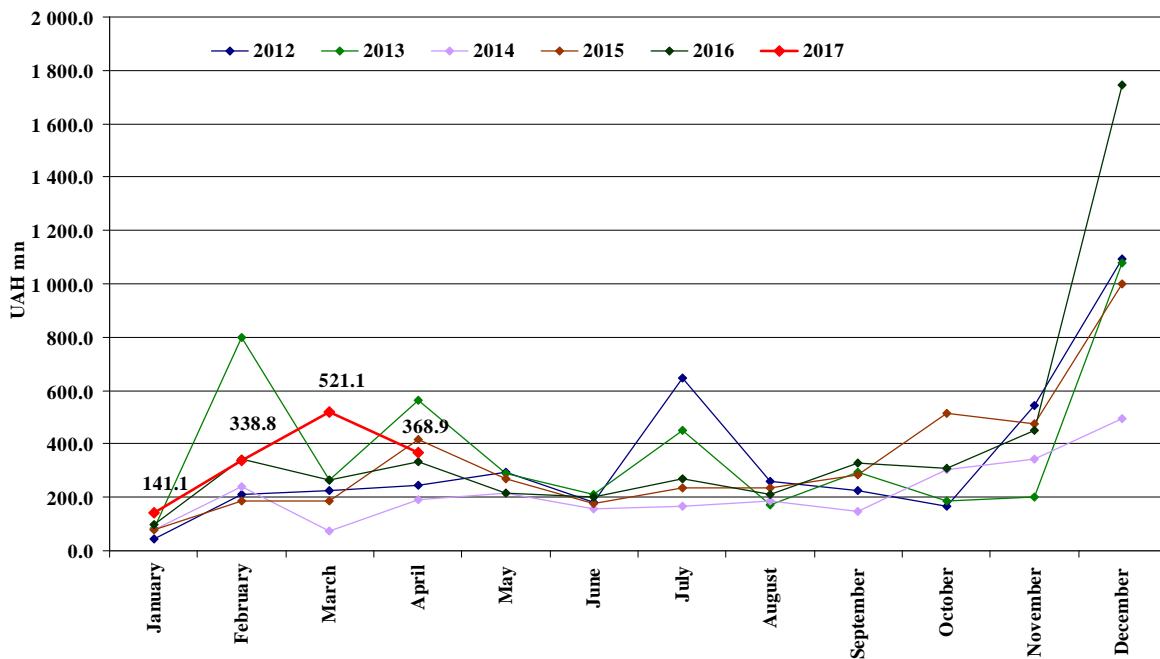
Graph 23

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



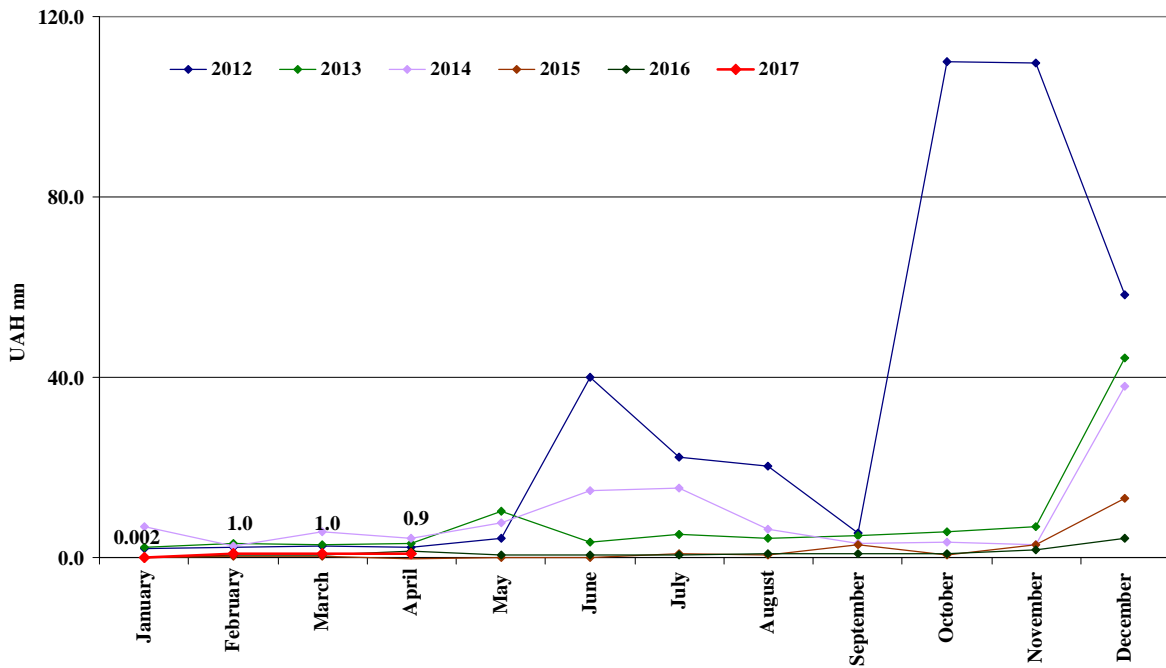
Graph 24

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



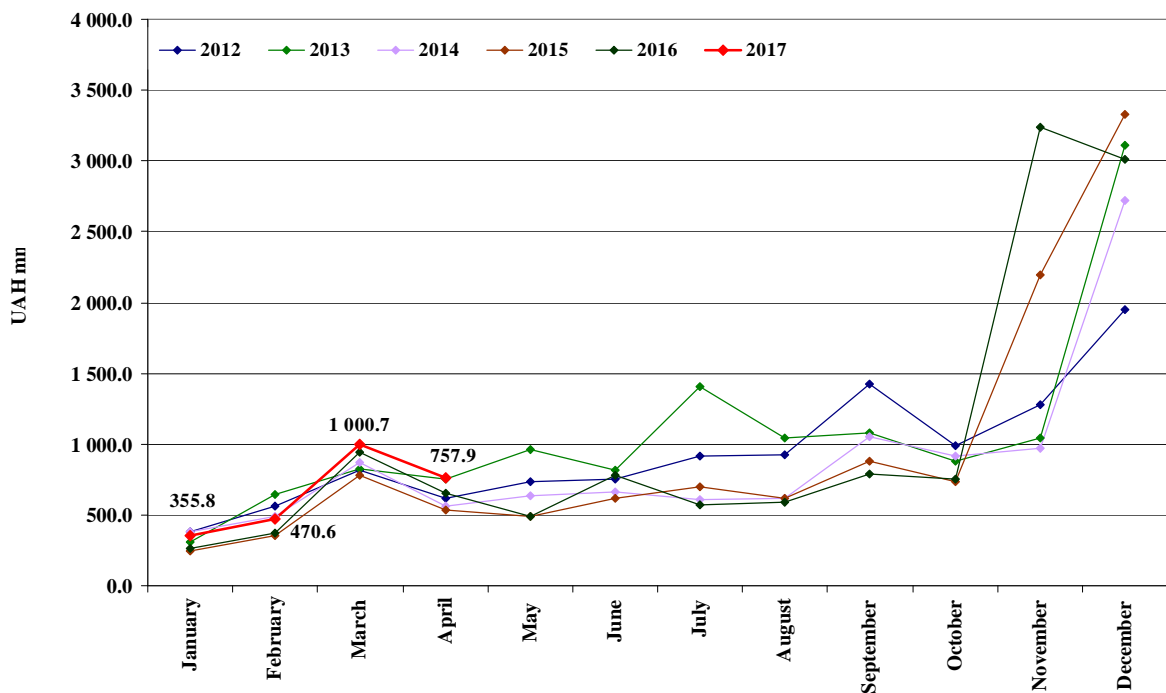
Graph 25

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



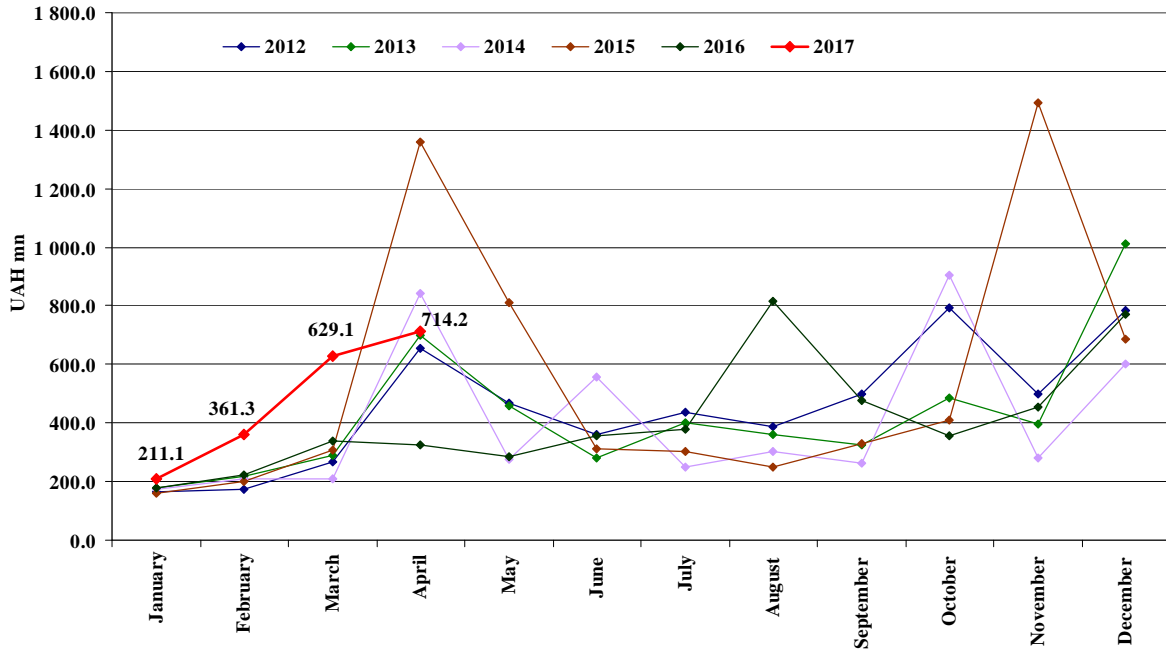
Graph 26

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



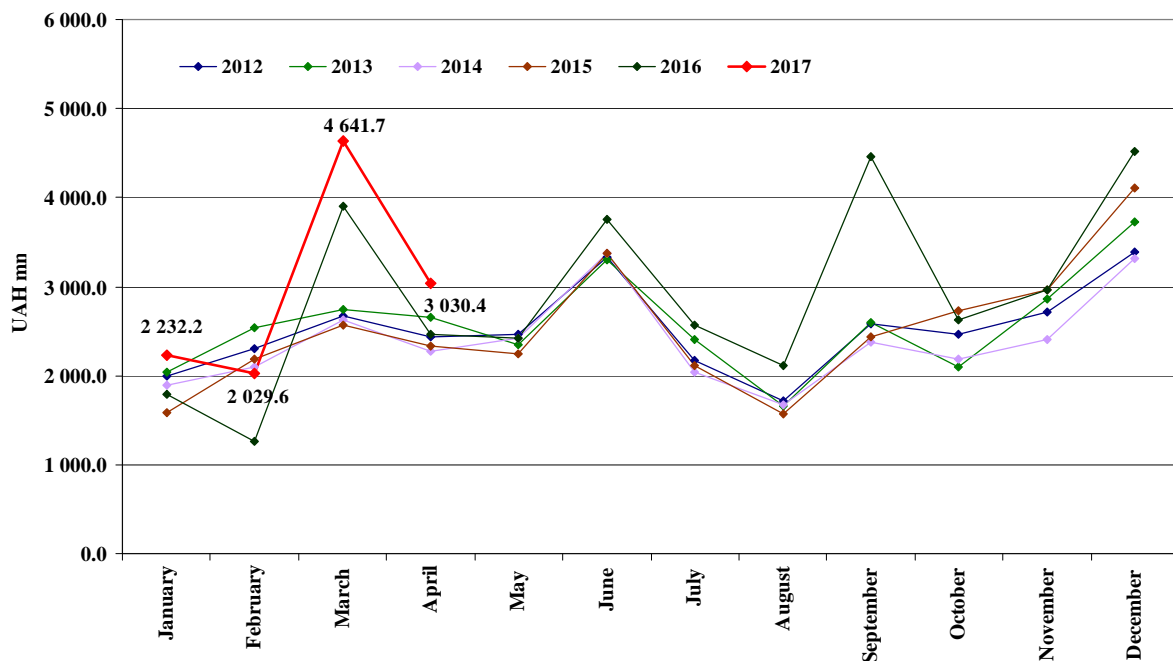
Graph 27

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

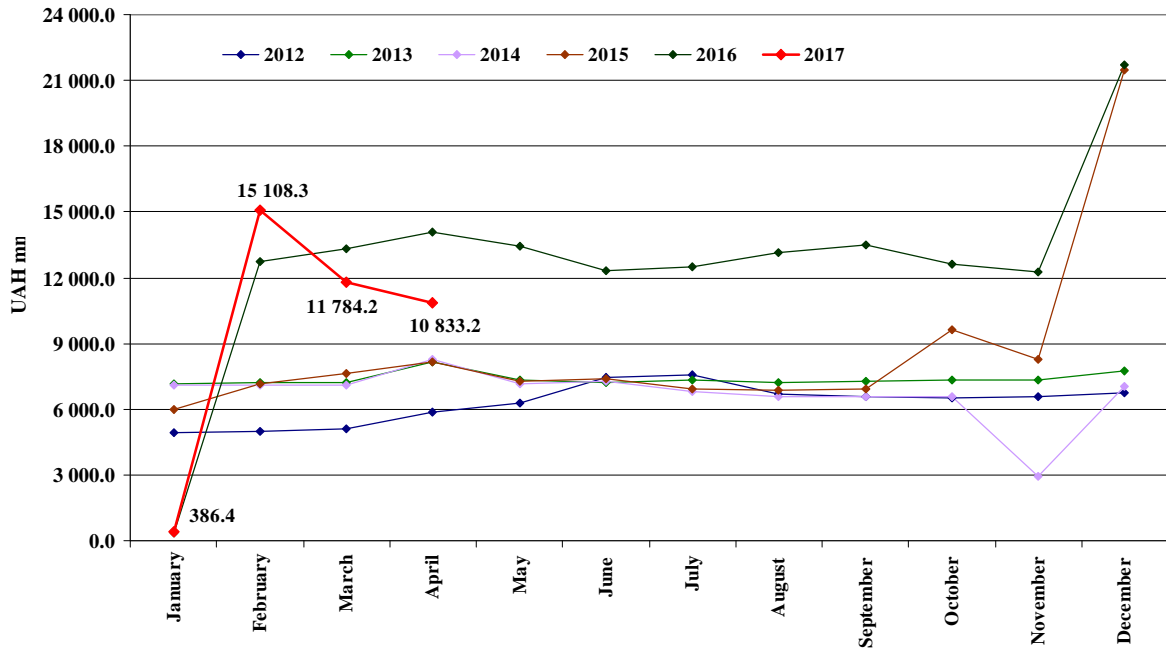


Graph 28

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

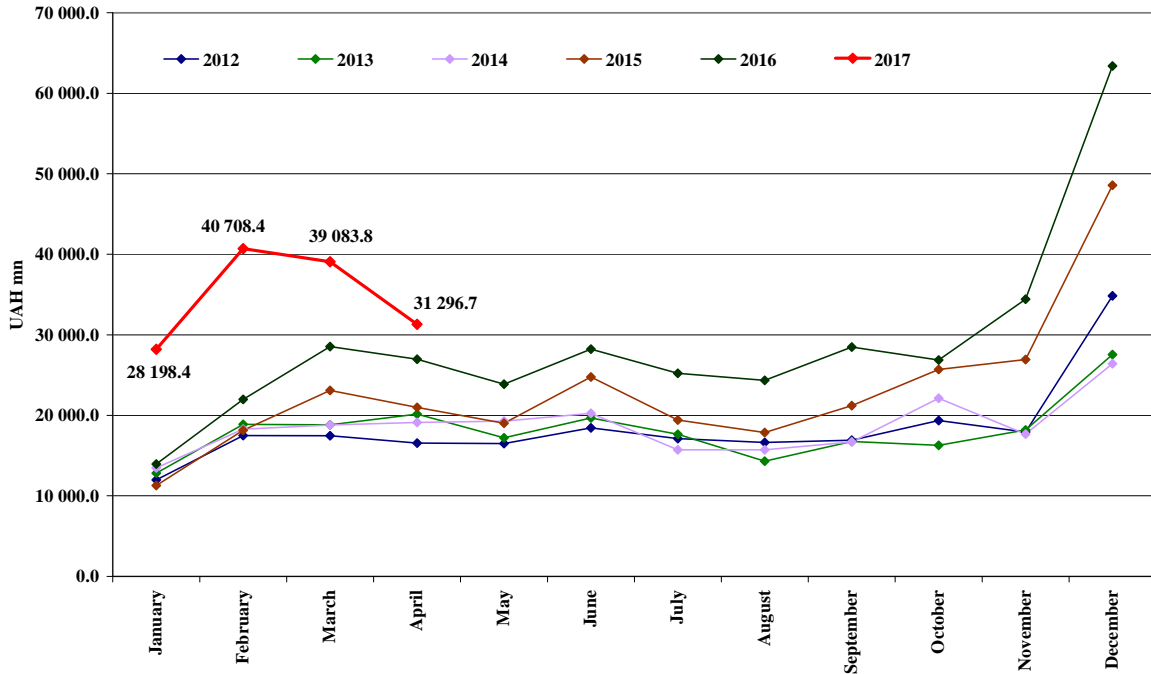
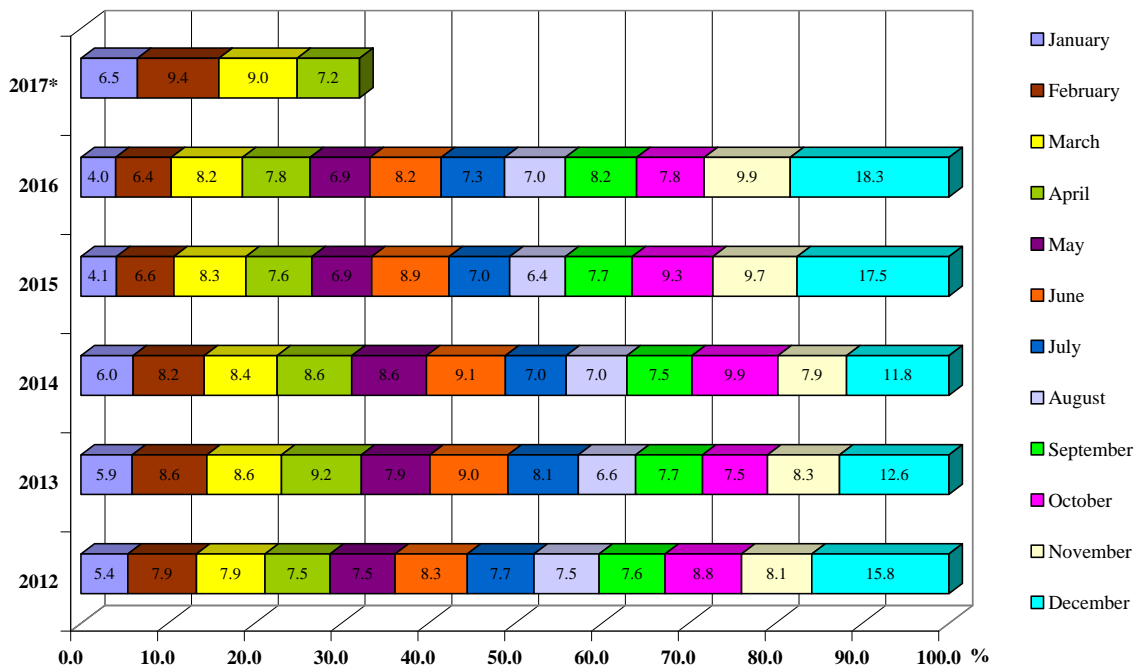


Diagram 19

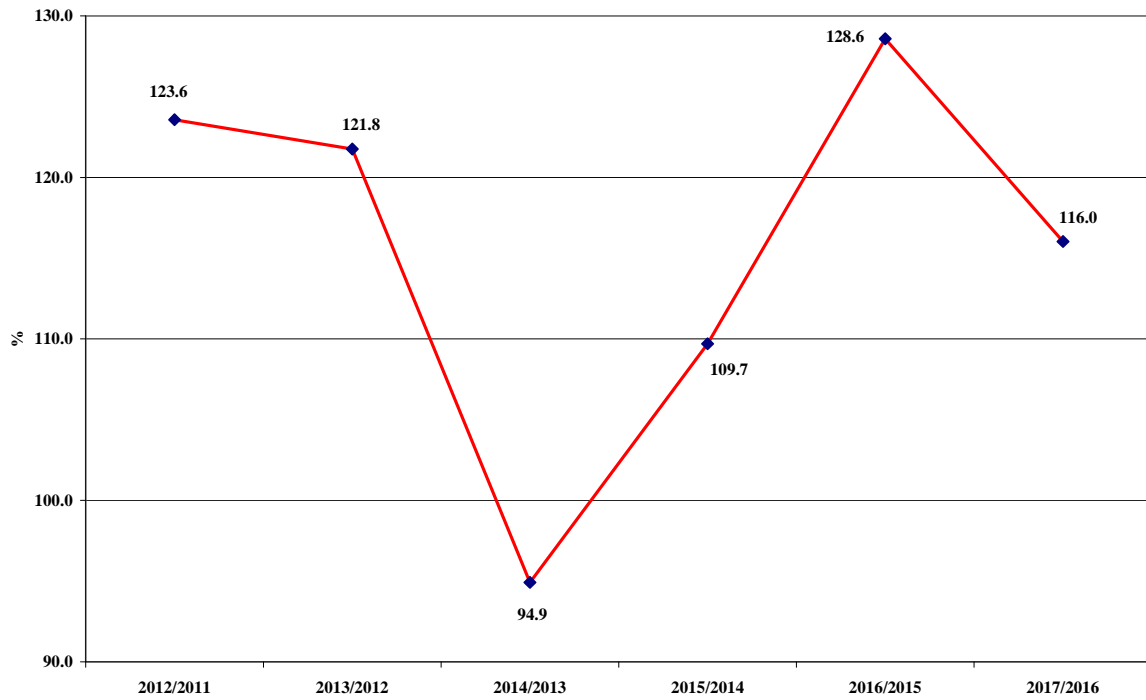
Dynamics of the Share of Local Budget Expenditures in Annual Amounts in 2012–2017



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

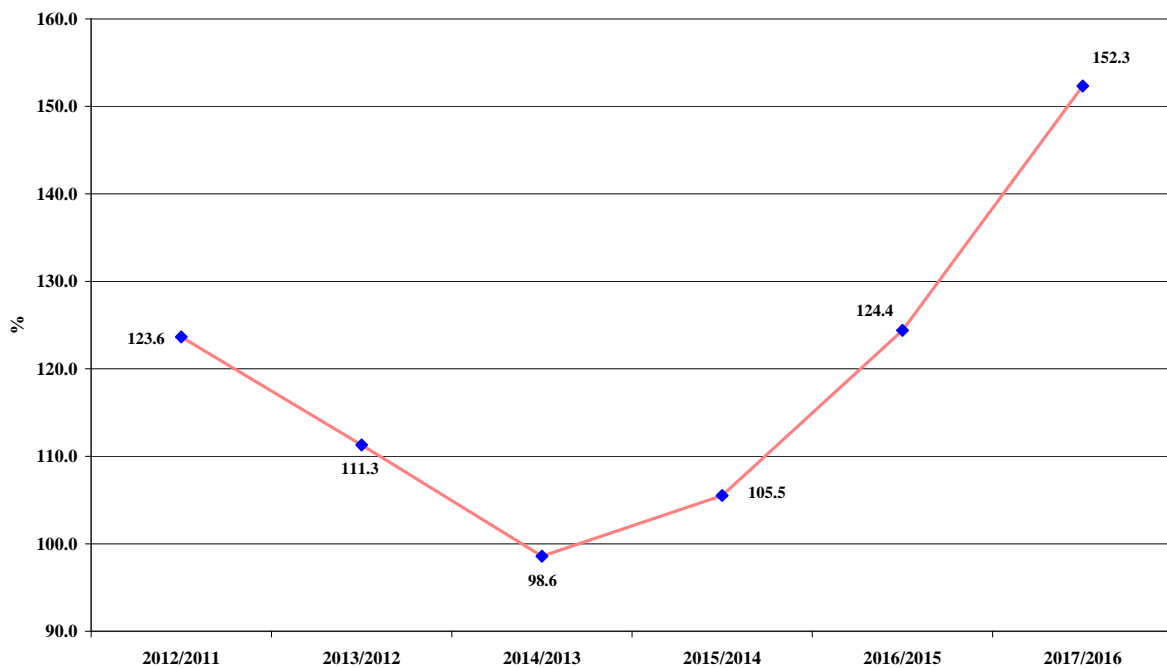
Graph 31

Growth Rates of Local Budget Expenditures in April 2012–2017

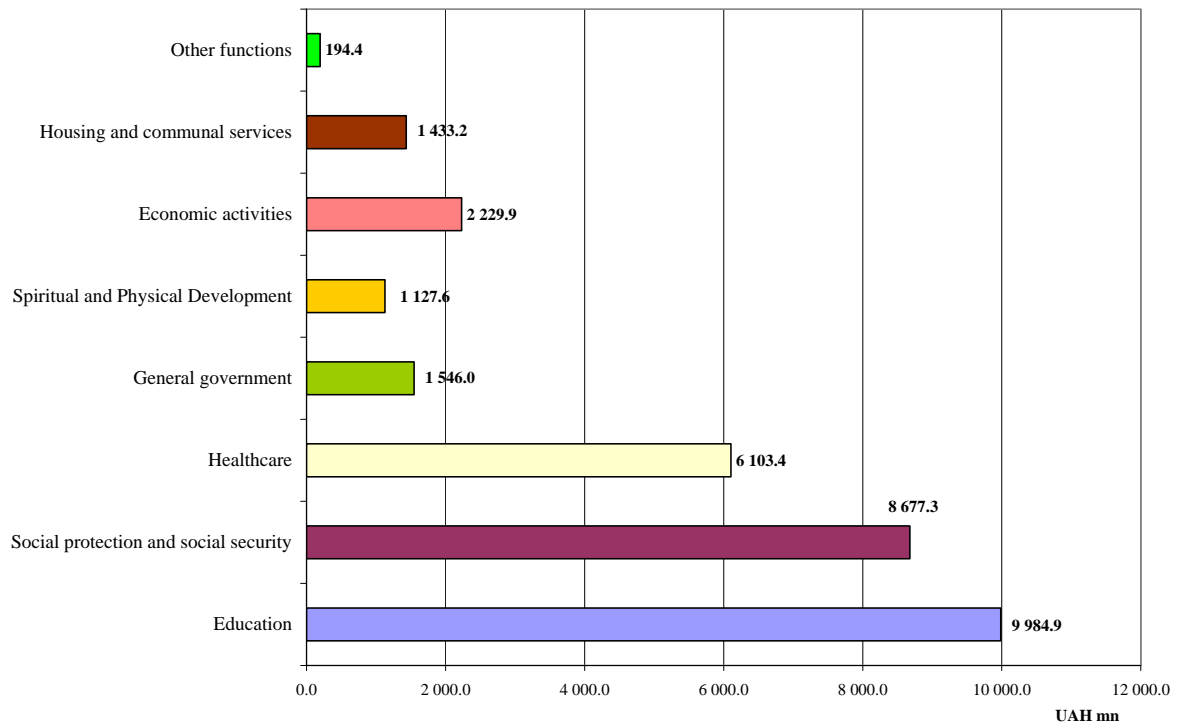


Graph 32

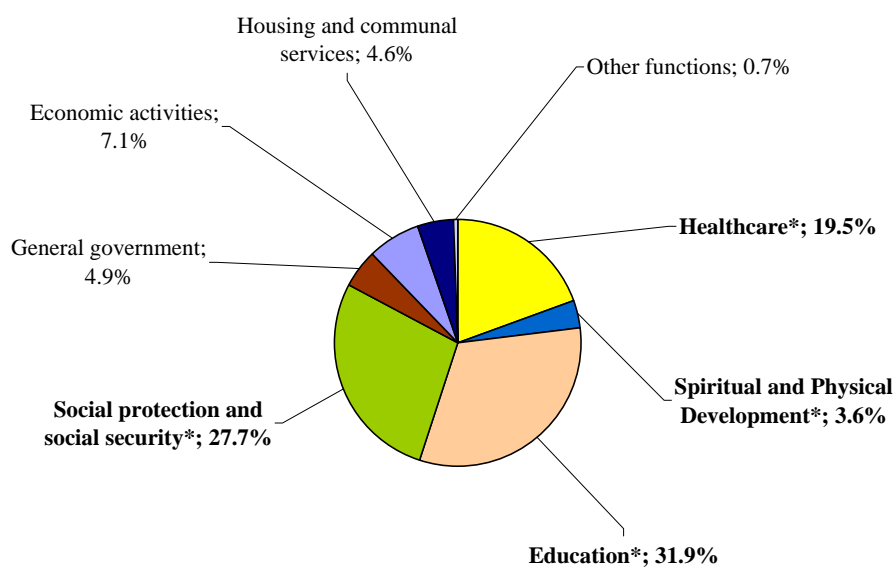
Growth Rates of Local Budget Expenditures in January-April 2012–2017



Local Budget Expenditures by Functional Classification in April 2017

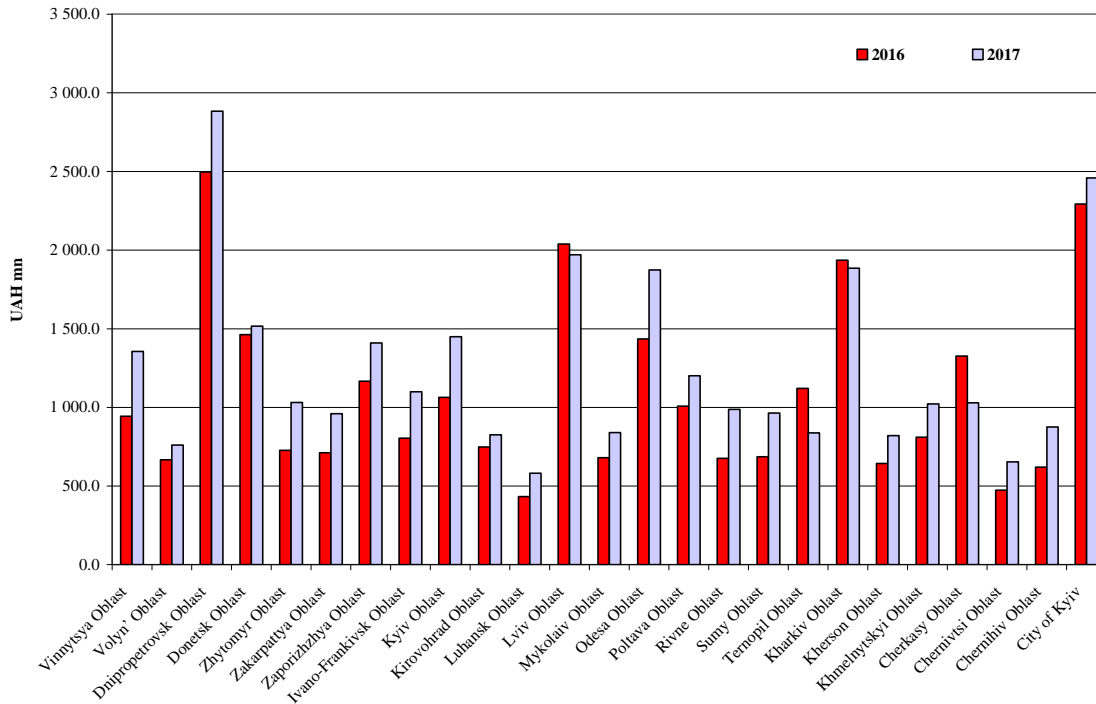


Structure of Local Budget Expenditures by Functional Classification in April 2017



* Expenditures for social and cultural sphere - 82.7%

Regional Distribution of Local Budget Expenditures in April 2016–2017



Graph 33

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

