

# MONTHLY MONITORING

OF MAIN INDICATORS  
OF THE BUDGET SYSTEM OF UKRAINE  
AS OF OCTOBER 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 741.2bn in the first three quarters of 2017, which is UAH 215.9bn or 41.1% more year-on-year.
- **The state budget** received UAH 581.1bn, which is UAH 176.6bn or 43.7% more year-on-year. This amount equals 75.4% of the annual plan. Even despite the increase of the annual target based on the results of state budget performance in the first six months of the year, this figure is significantly higher than the 70.6% average for revenues in the January through August period over the last ten years, which continues to point to a high likelihood of plan overachievement in annual terms.

Compared to last year, growth was noted for all key items of both tax and non-tax revenues, both by month and for the period of January-September of this year in general. In particular, the personal income tax grew by UAH 11.6bn (or by 27.5%); corporate profit tax by UAH 12.1bn (or 33.6%); VAT on goods made in Ukraine by UAH 31.6bn (or 31.7%); VAT on goods imported in Ukraine by UAH 48.5bn (or 37.8%); excise tax on goods made in Ukraine by UAH 8.7bn (or 21.8%); rent and fees for the use of other natural resources by UAH 10.1bn (or 34.3%), and import duty by UAH 2.8bn (or by 19.3%).

Non-tax revenues have also increased (by UAH 47.8bn or more than double). This occurred mainly thanks to the transfer of UAH 30.0bn by the National Bank of Ukraine according to the Law of Ukraine "On the National Bank of Ukraine," and increased receipts of the dividends accrued on shares (stocks, interest) in companies with state property in their statutory capital, by UAH 13.8bn or more than ten times.

- **Expenditures of the consolidated budget** totaled UAH 699.6bn in January-September 2017, which is 25.7% or nearly UAH 143.0bn more year-on-year. In September 2017, expenditures amounted to UAH 101.3bn, which is 24.9% or UAH 20.2bn more than in September 2016.

On a year-on-year basis, the amounts of consolidated budget expenditures increased for nearly all items under the functional classification of expenditures.

The highest growth (by 65.6% against September 2016) is in the expenditures for general government functions (without debt servicing expenditures). They reached UAH 5.2bn. Expenditures increased significantly for healthcare (59.3%), defense (40.2%), economic activity (38.1%), spiritual and physical development (35.3%), housing and communal services (33.9%), education (24.3%), public order, security, and the judiciary (22.2%), and social protection and social security (2.8%).

Expenditures for protection of natural environmental decreased by 12.1%.

- **The actual expenditures of the State Budget of Ukraine** totaled UAH 571.1bn in January-September 2017, which is 21.3% or UAH 100.3bn more year-on-year. In September 2017, expenditures amounted to nearly UAH 82.0bn or 21.3% more than in September 2016.

The following expenditure items by **functional classification** changed compared to September 2016:

- expenditures for general government functions (without expenditures for state debt servicing) increased by 66.6% to UAH 3.2bn. Expenditures for the servicing of state debt totaled UAH 21.0bn, up 24.0% year-on-year;
- expenditures for defense increased by 40.2% to UAH 6.5bn;
- expenditures for public order, security, and the judiciary increased by 22.0% to UAH 7.8bn;

- expenditures for economic activity grew by 29.1% to UAH 4.2bn;
- expenditures for environmental protection decreased by 39.8% to UAH 197.1mln;
- expenditures for housing and communal services increased 2.3 times to UAH 2.0mln;
- expenditures for healthcare grew 3.4 times to UAH 2.7bn;
- expenditures for spiritual and physical development increased by 10.6% to UAH 526.9mln;
- expenditures for education decreased by 22.9% to UAH 3.4bn; and
- expenditures for social protection and social security decreased by 25.0% to UAH 10.1bn.

Expenditures for the financing of pensions, bonuses, and extras to the pensions awarded under pension programs, and of the Pension Fund deficit totaled UAH 9.5bn, which is 25.9% less year-on-year.

- Revenues of the state budget **from repaid loans** totaled UAH 679.3mln in September of this year.

The amount of **loans provided** from the state budget totaled UAH 324.7mln in September 2017. **The state budget deficit** amounted to UAH 23.5bn in that month.

In September 2017, the **repayment of the state debt principal** totaled UAH 43.4bn, including internal debt repayment of UAH 1.4bn and external debt repayment of UAH 42.0bn.

**State borrowing** totaled UAH 82.2bn, including UAH 2.9bn mobilized on the internal market; UAH 79.3bn **provided in loans** from external sources; and UAH 429.6mil credited to a special fund for financing joint development projects with international financial institutions.

The state budget received UAH 1.8bn from the **privatization of state property** in September 2017.

- **The local budget revenues (without inter-budget transfers)** totaled more than UAH 160.0bn in January-September 2017, which is 32.5% more year-on-year.

In September 2017, those revenues amounted to UAH 16.3bn, which is 16.9% more year-on-year. As usual, the personal income tax was the single largest source of local budget revenue. It generated UAH 9.5bn in September. Local taxes and fees provided UAH 3.4bn.

Revenue by region grew the most in Poltava Oblast. Revenue declined in Kyiv (-6.5%).

- **The amount of local budget expenditures (without inter-budget transfers)** reached nearly UAH 326.7bn in January-September 2017, which is 47.4% more year-on-year.

In September 2017, the expenditures grew by 46.5% against last September to reach more than UAH 41.7bn. The largest amounts of local budget expenditures were allocated for social protection and social security, education, and healthcare. They amounted to UAH 11.8bn (or 28.2% of all local budget expenditures), UAH 11.5bn (or 27.5%), and UAH 6.8bn (16.4%), respectively.

Growth by region was the greatest in Kyiv Oblast, where expenditures were 2.2 times higher year-on-year. The lowest growth of expenditures (11.0%) was in the city of Kyiv.

# State Budget Revenue

Graph 1

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

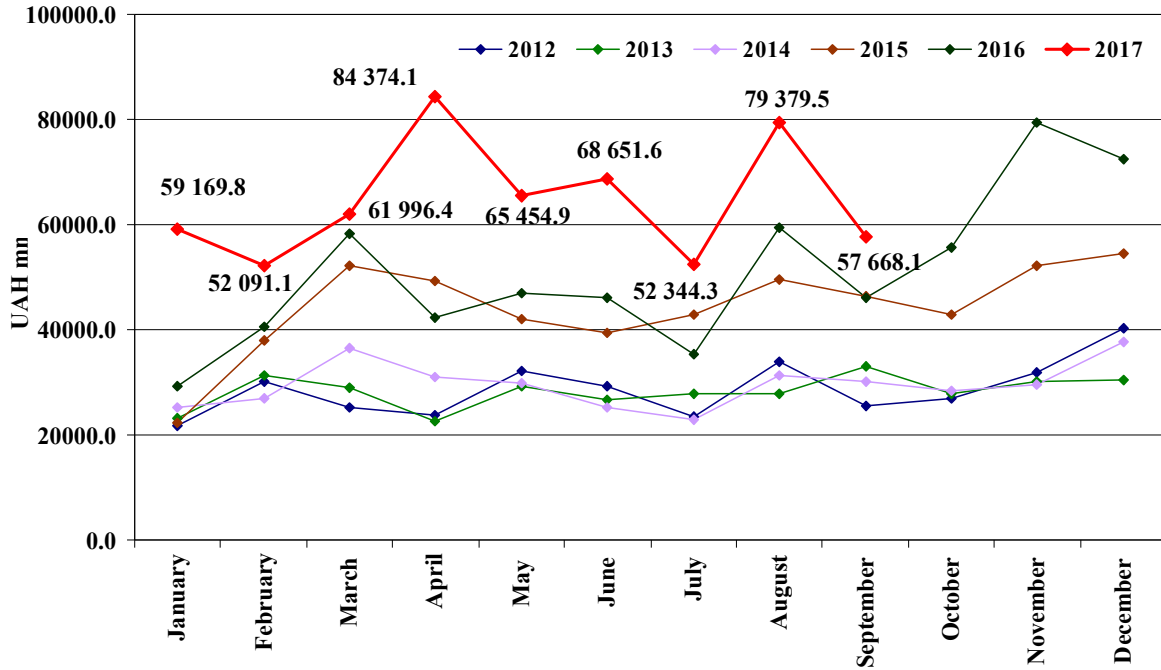
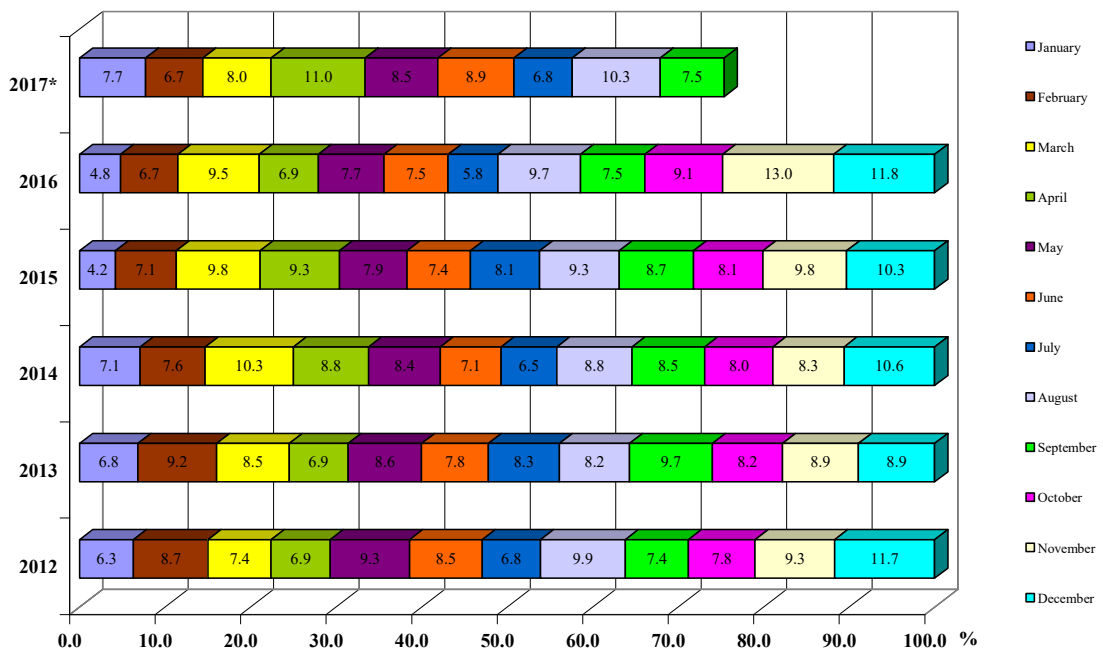


Diagram 1

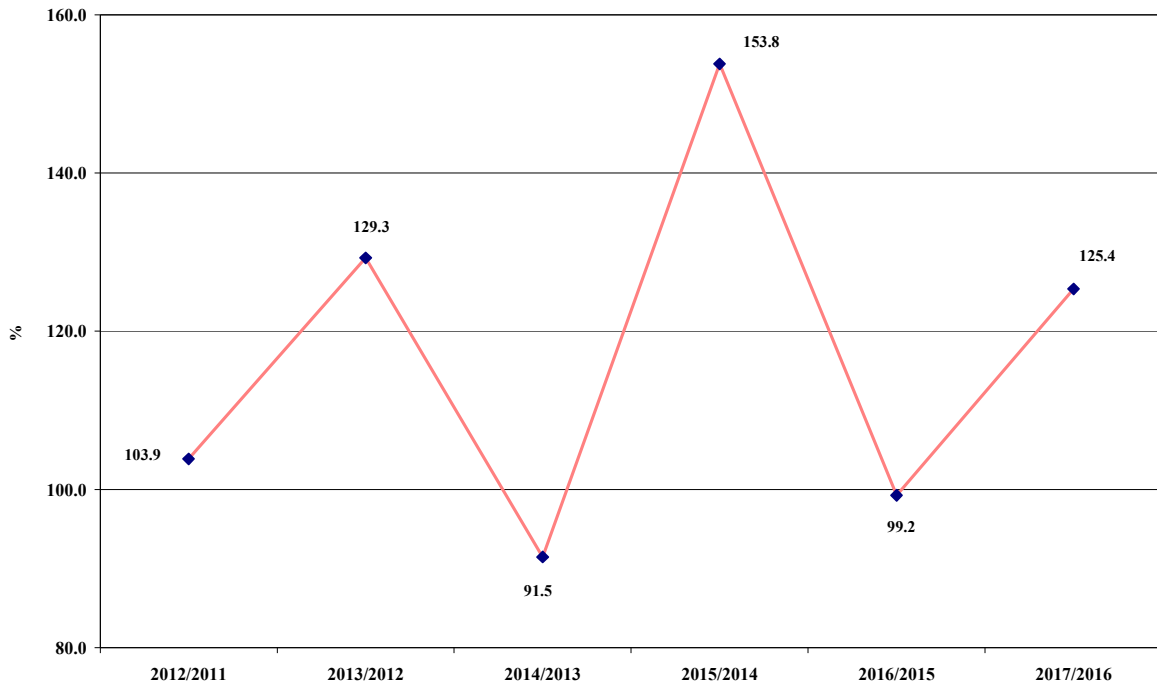
## Dynamics of the Share of Ukraine's State Budget Revenue in Annual Amounts in 2012–2017



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

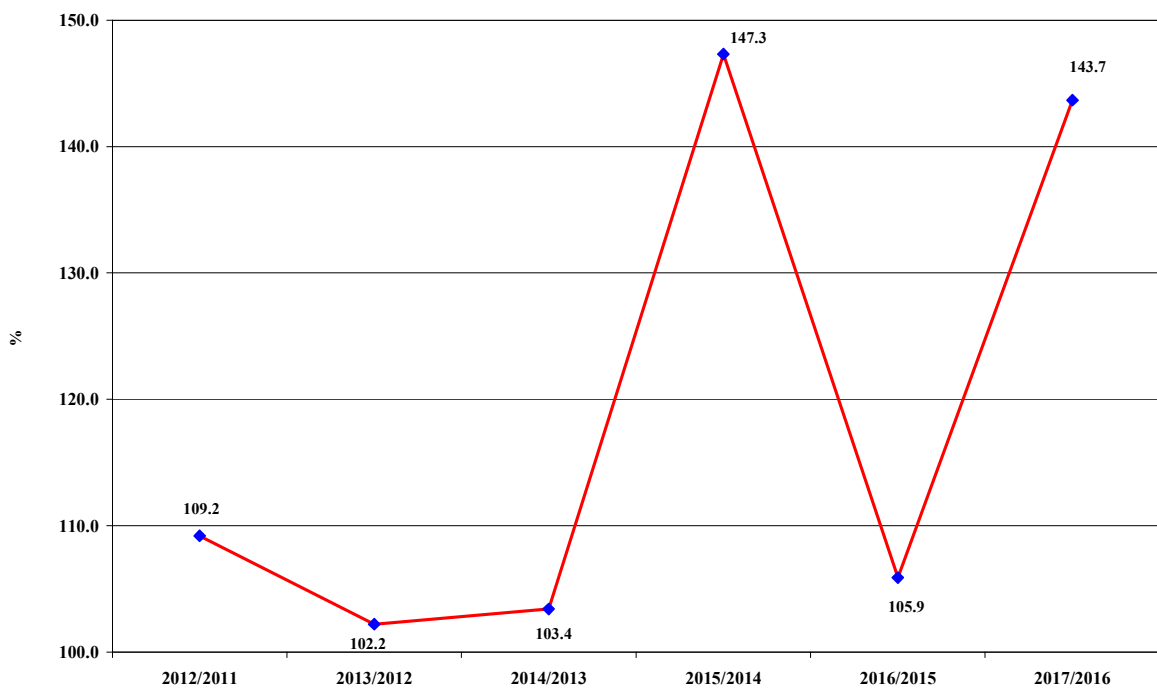
Graph 2

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



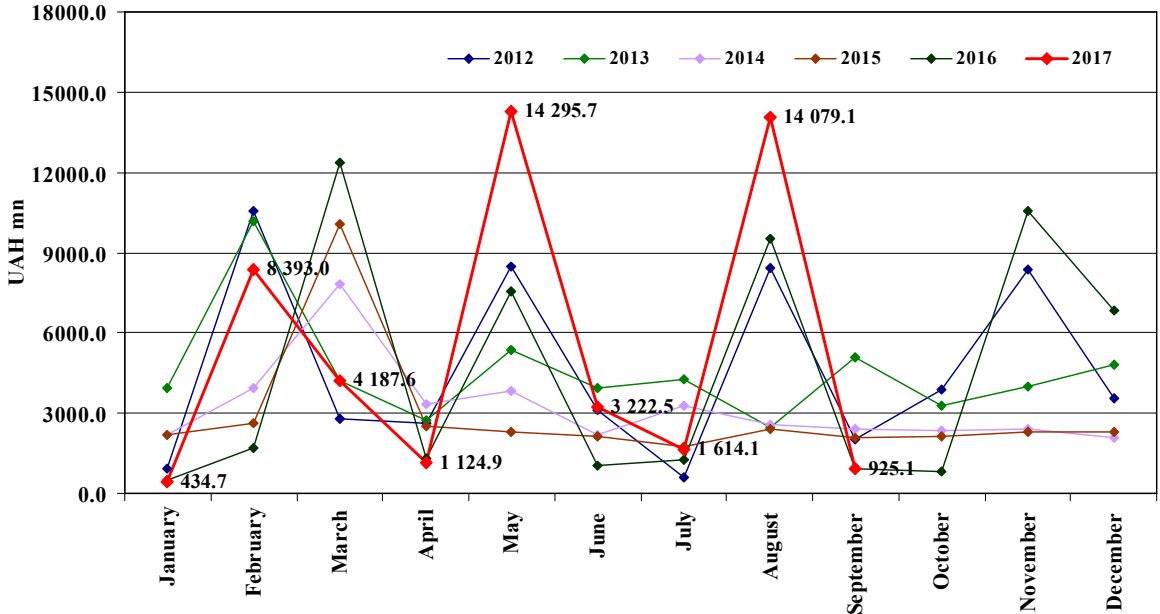
Graph 3

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



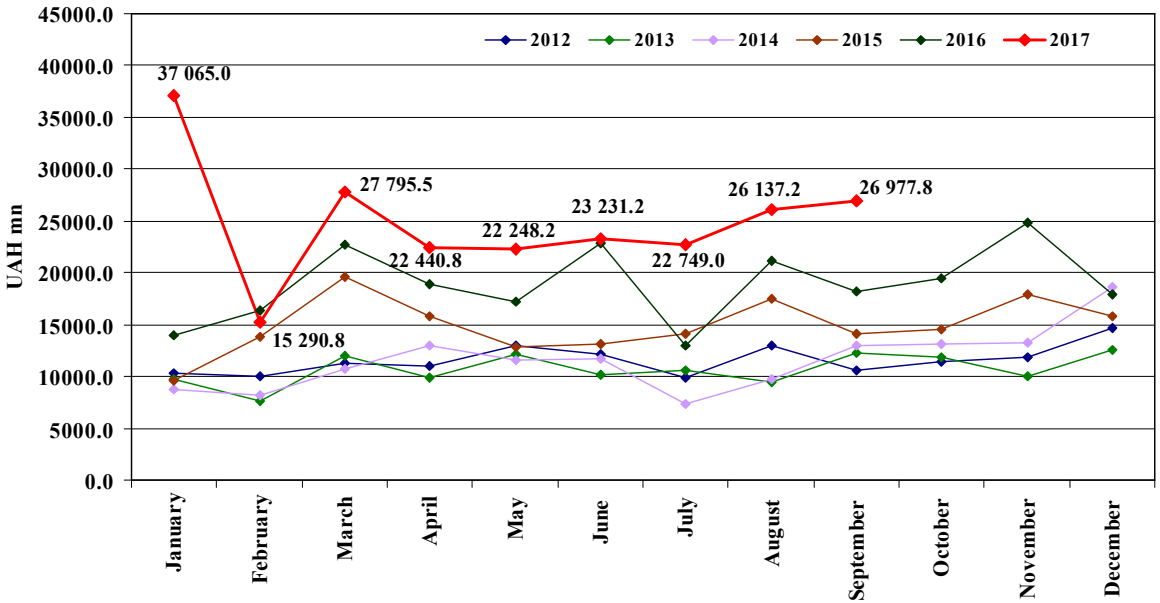
Graph 4

### State Budget Enterprise Profit Tax Monthly Trends in 2012–2017



Graph 5

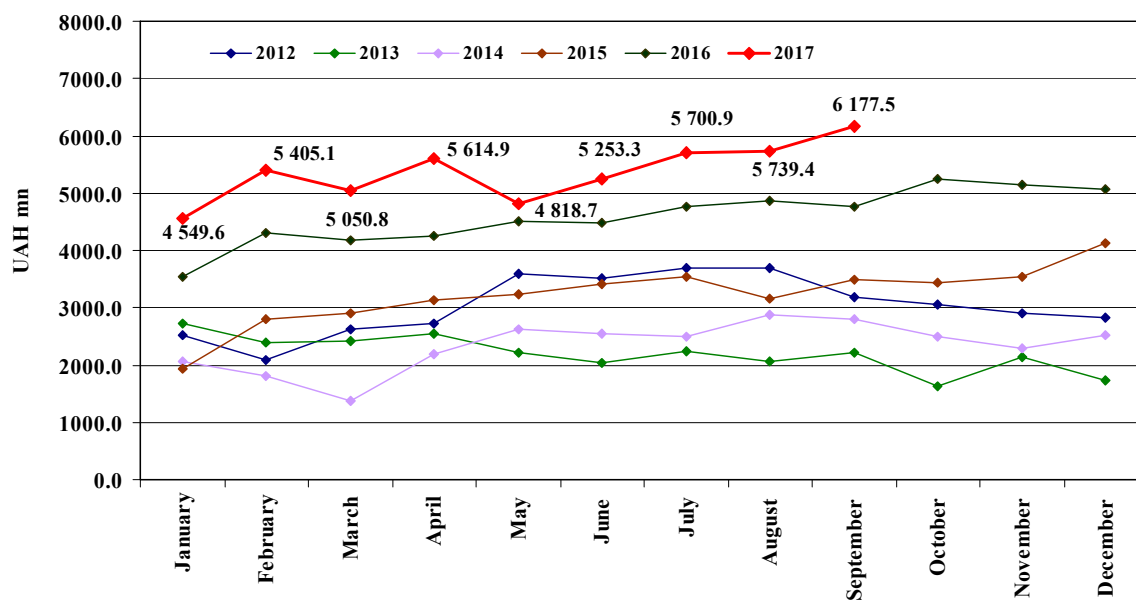
### State Budget Value Added Tax Monthly Trends in 2012–2017





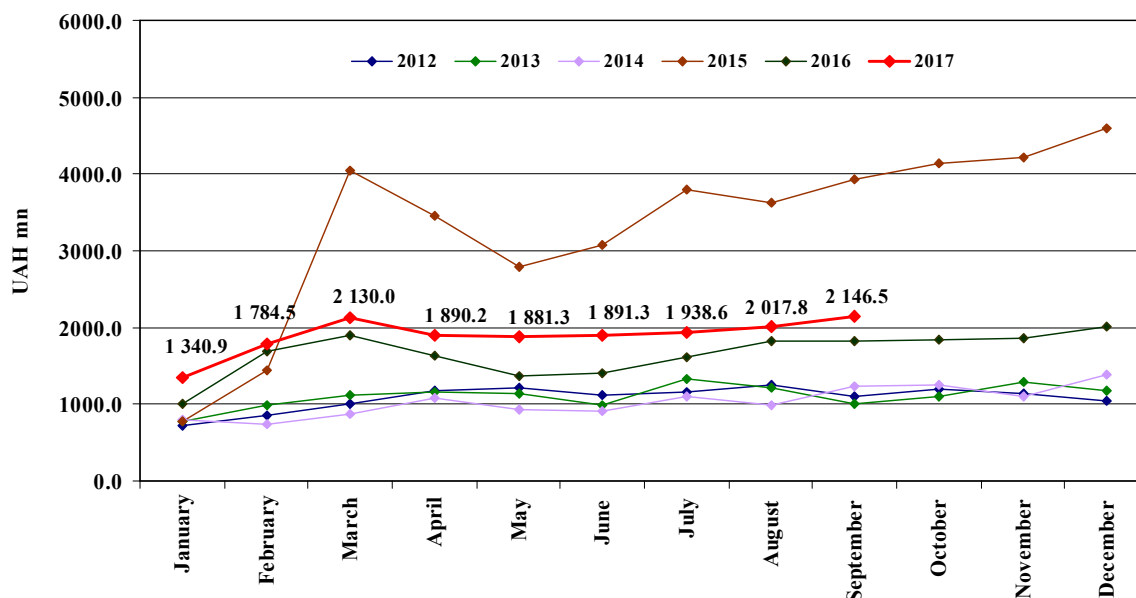
Graph 6

### 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

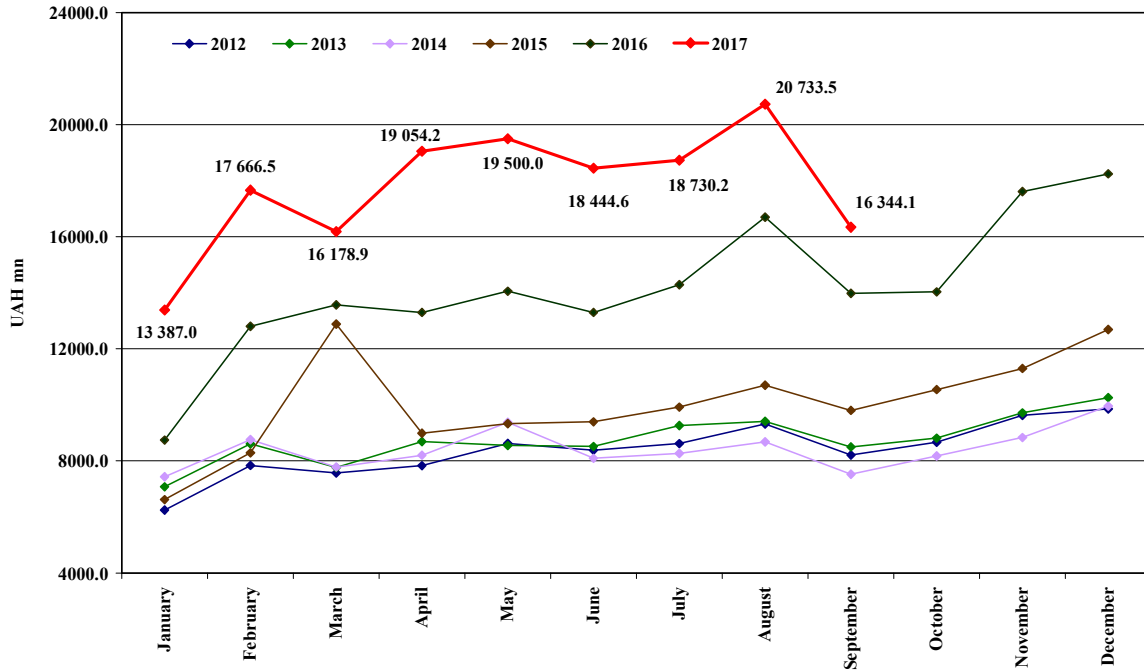
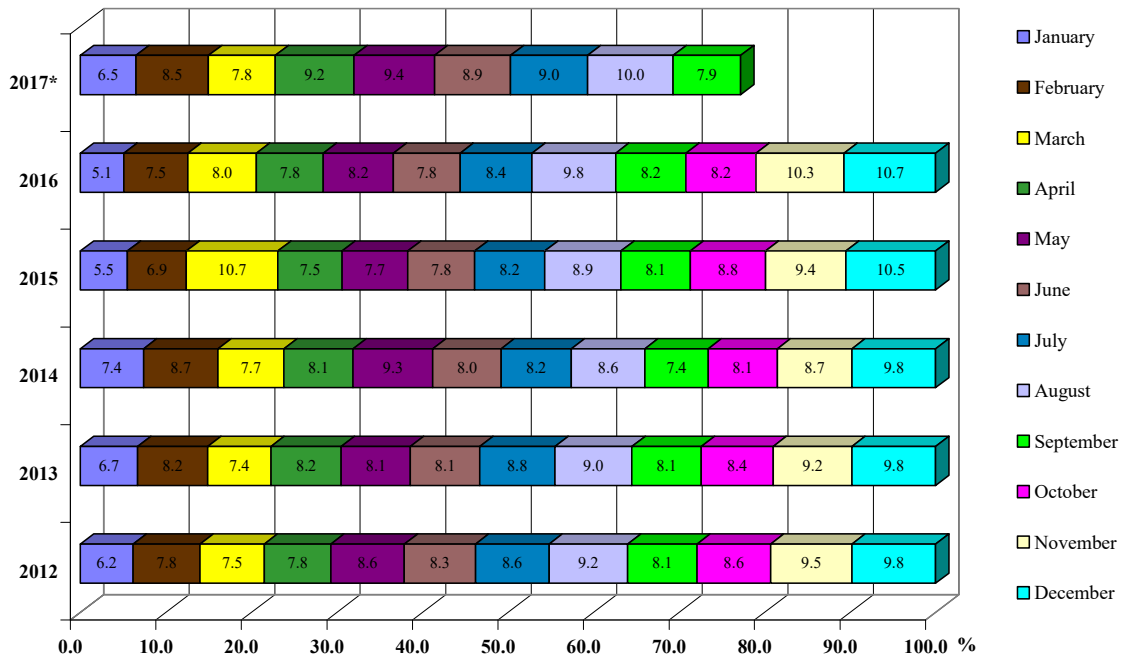


Diagram 2

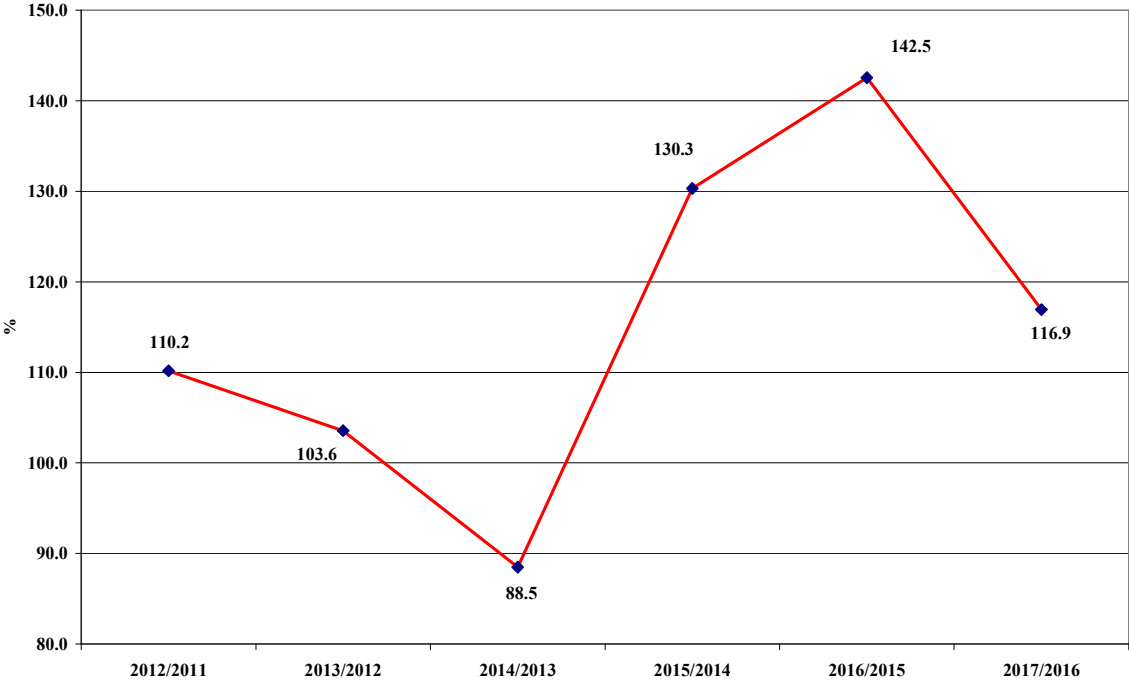
## Dynamics of the Share of Local Budget Revenue in Annual Amounts in 2012–2017



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

Graph 9

### Growth Rates of Local Budget Revenue in September 2012–2017



Graph 10

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

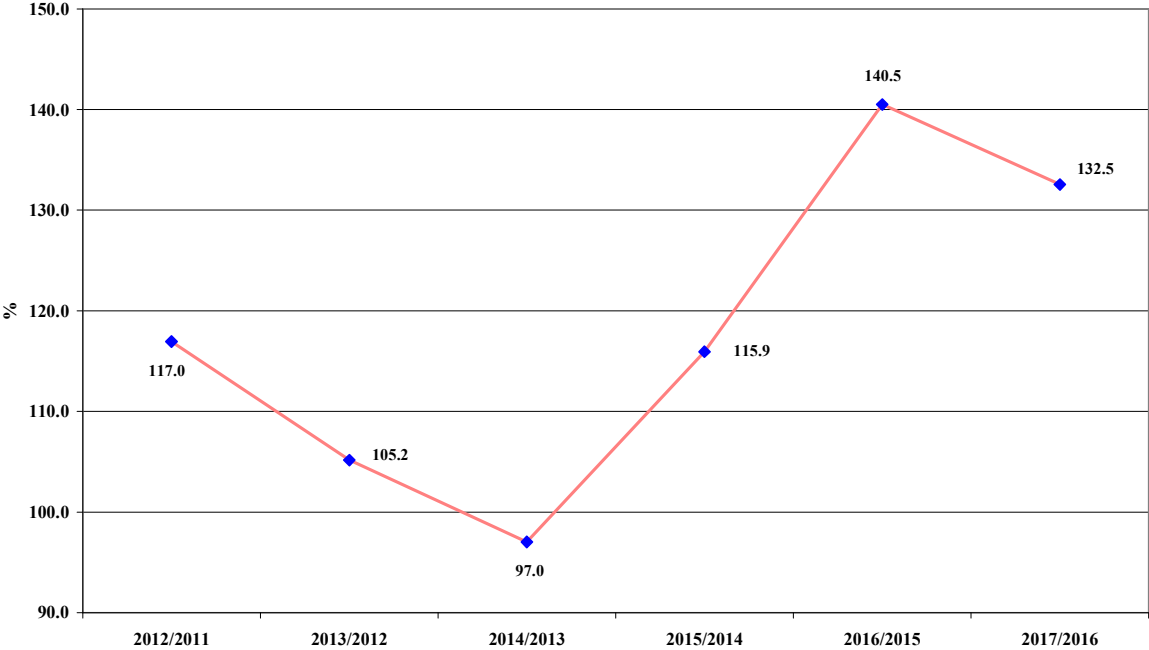


Diagram 3

### Local Budget Revenue in September 2017

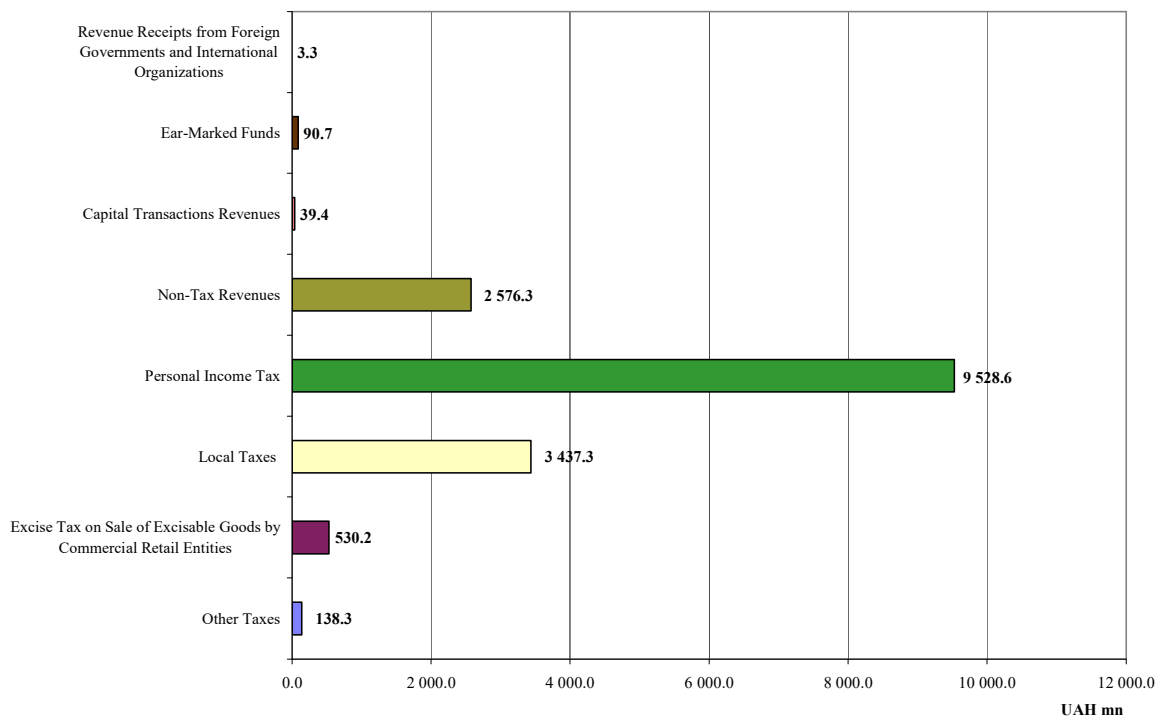


Diagram 4

### Structure of Local Budget Revenues in September 2017

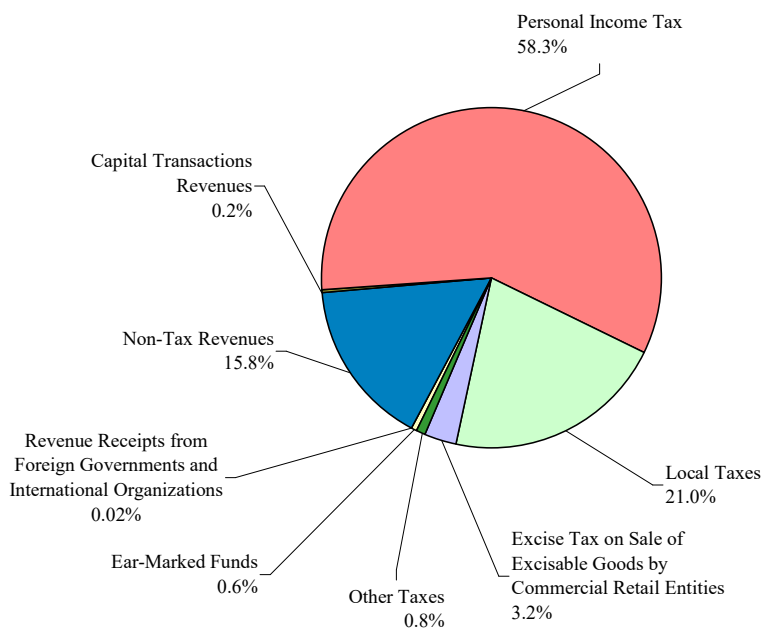
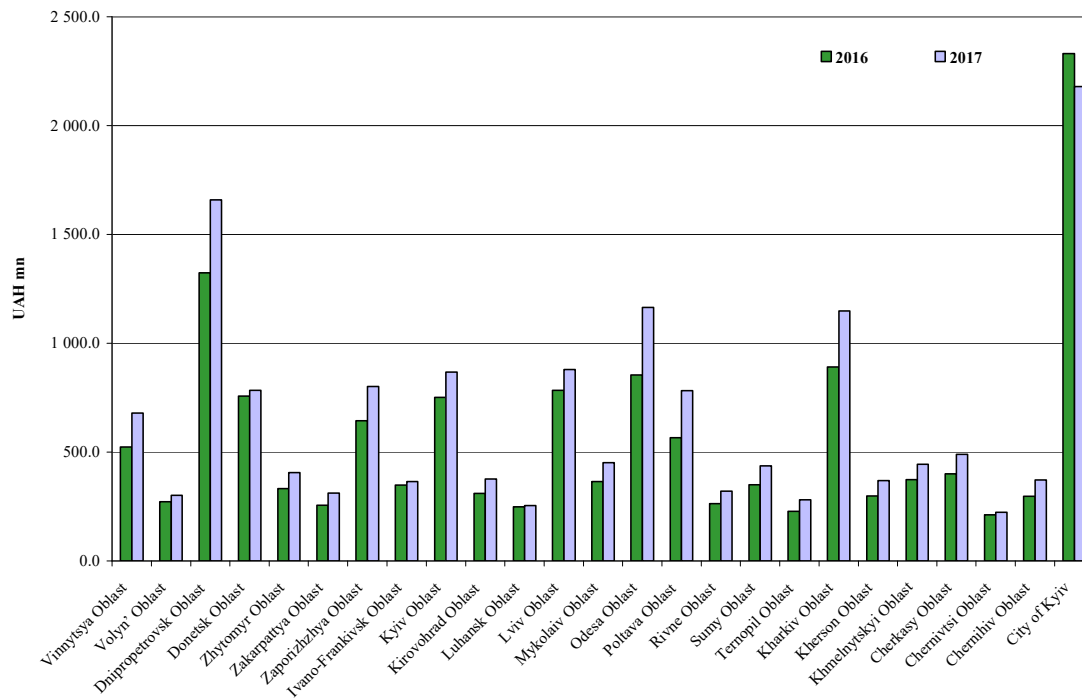


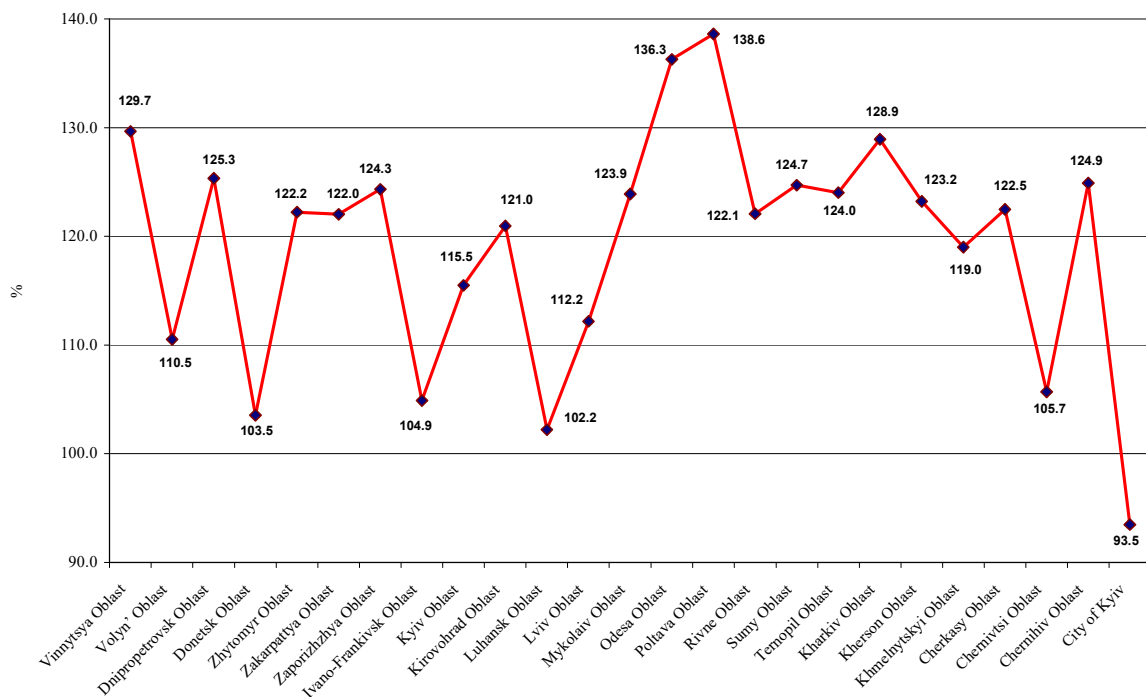
Diagram 5

### Regional Distribution of Local Budget Revenue in September 2016–2017



Graph 11

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



# State Budget Deficit

Diagram 6

## Budget Deficit/Surplus, Monthly Trends in 2012

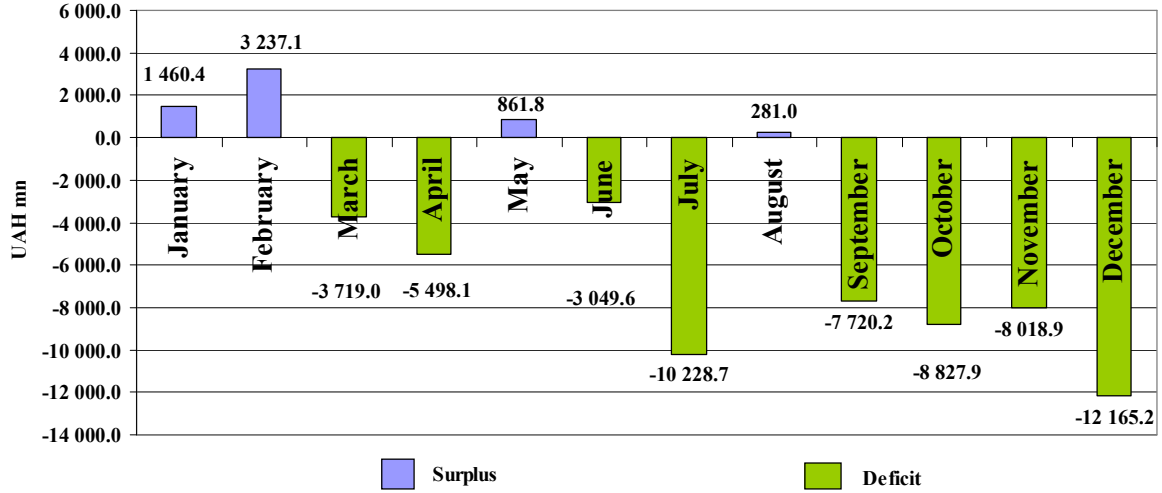


Diagram 7

## Budget Deficit/Surplus, Monthly Trends in 2013

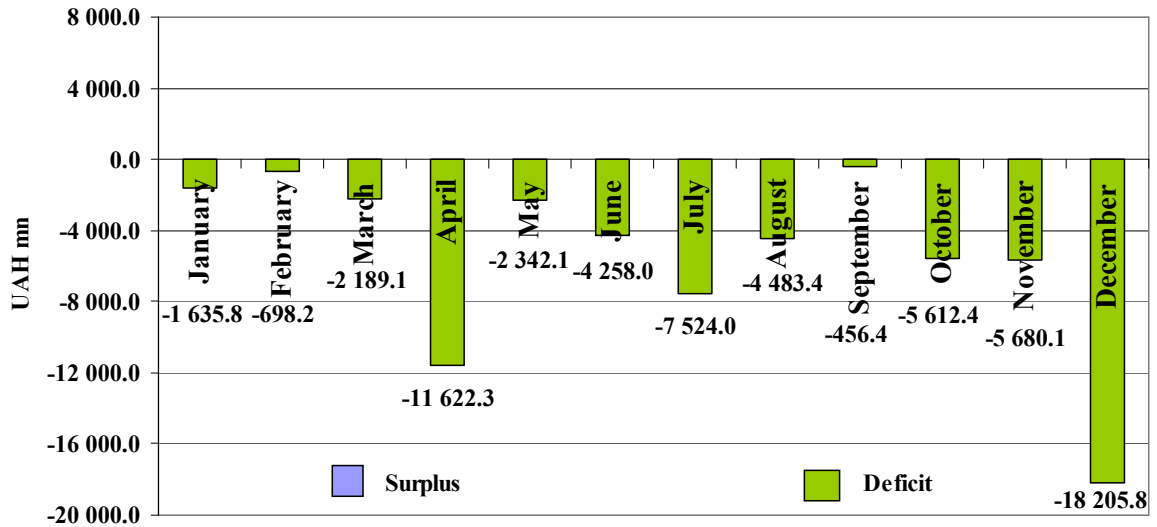


Diagram 8

### Budget Deficit/Surplus, Monthly Trends in 2014

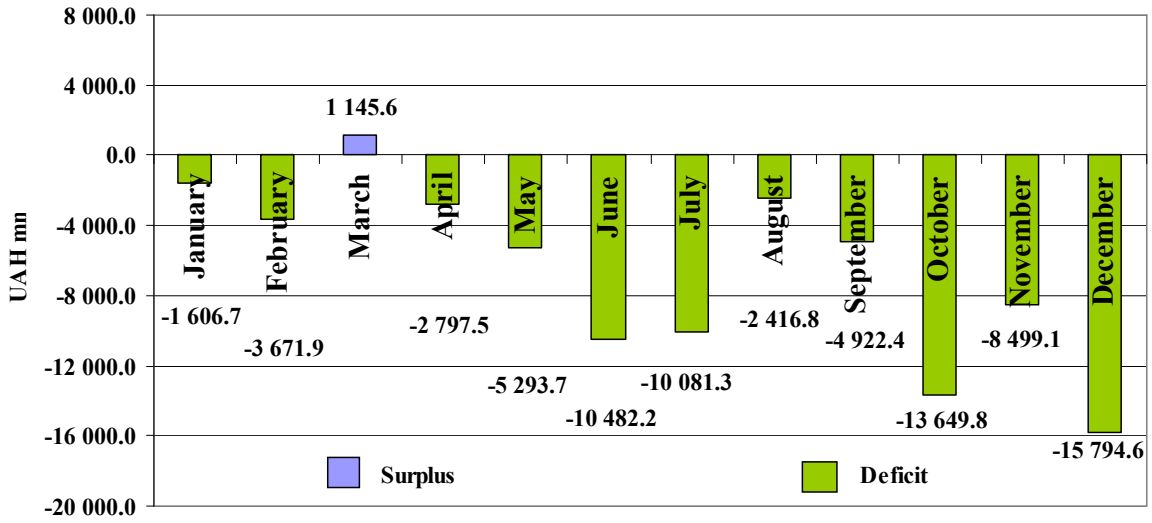


Diagram 9

### Budget Deficit/Surplus, Monthly Trends in 2015

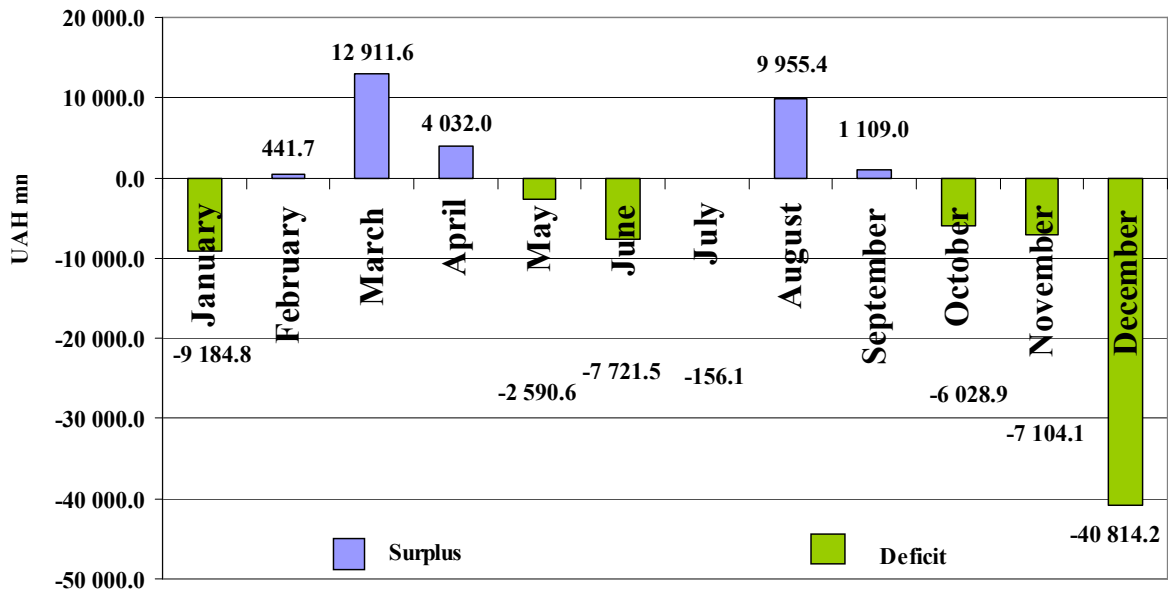


Diagram 10

### Budget Deficit/Surplus, Monthly Trends in 2016

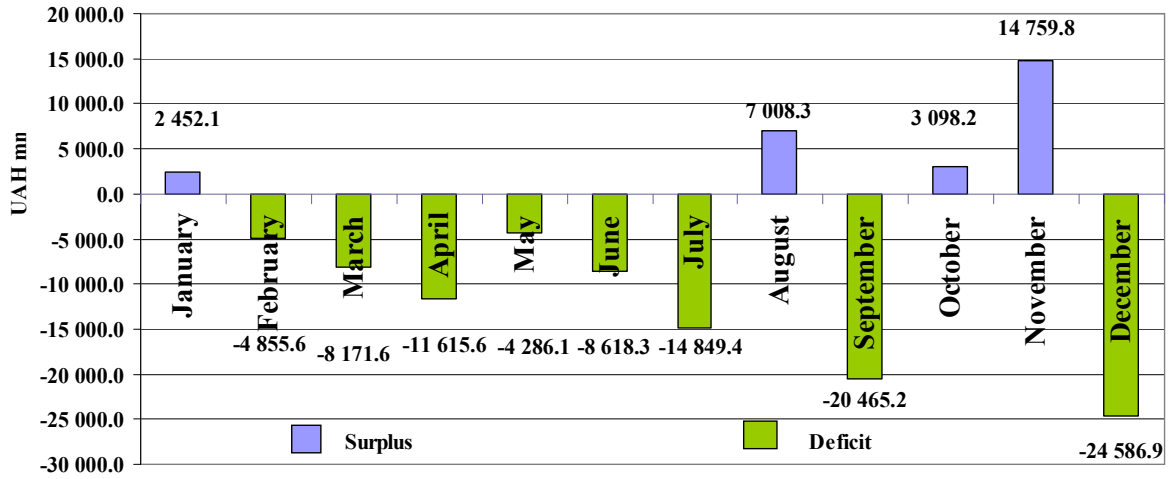
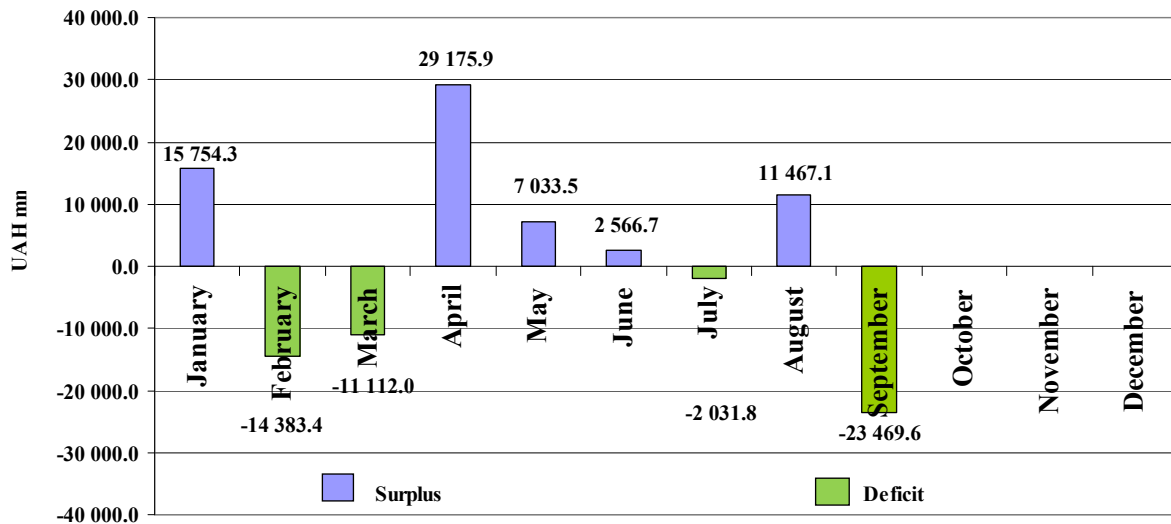


Diagram 11

### Budget Deficit/Surplus, Monthly Trends in 2017

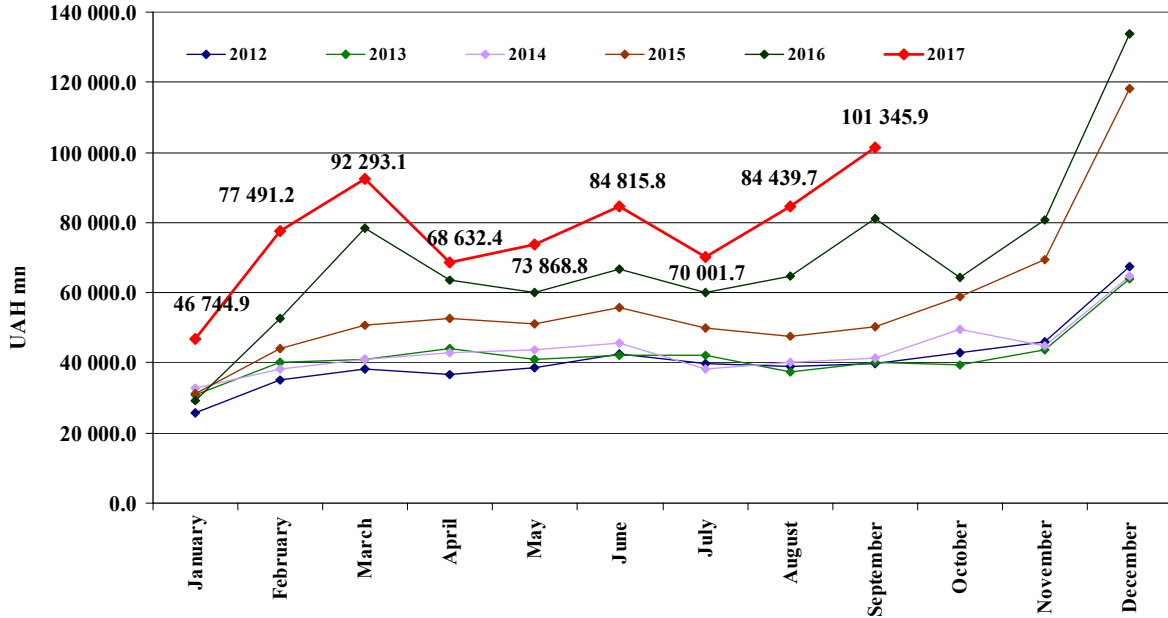




# Consolidated Budget Expenditures

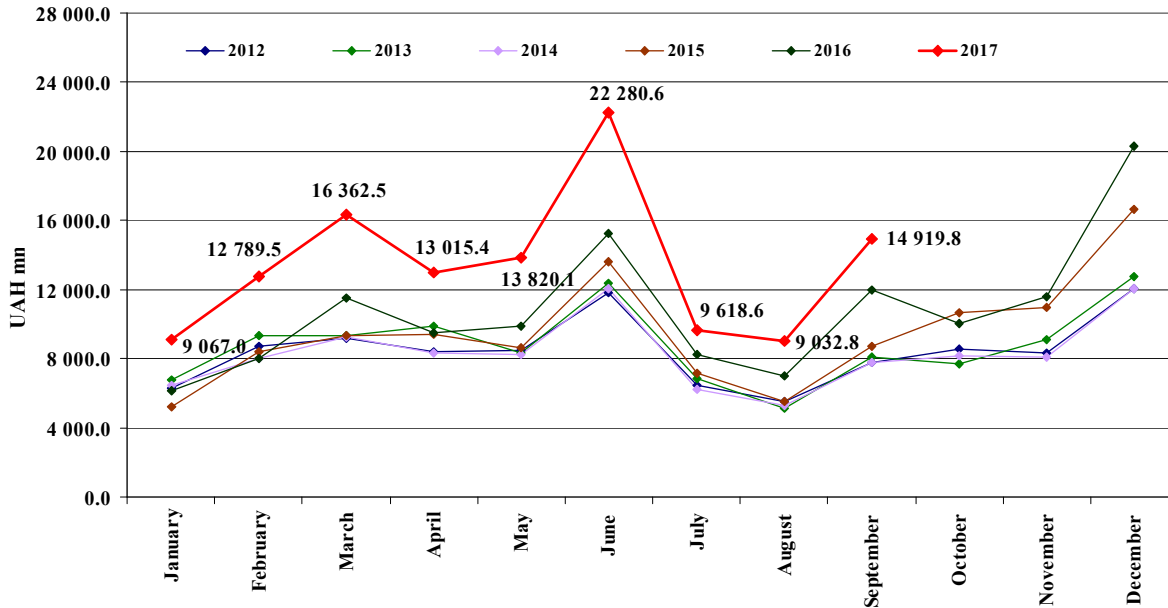
Graph 12

## Consolidated Budget Expenditures, Monthly Trends in 2012–2017



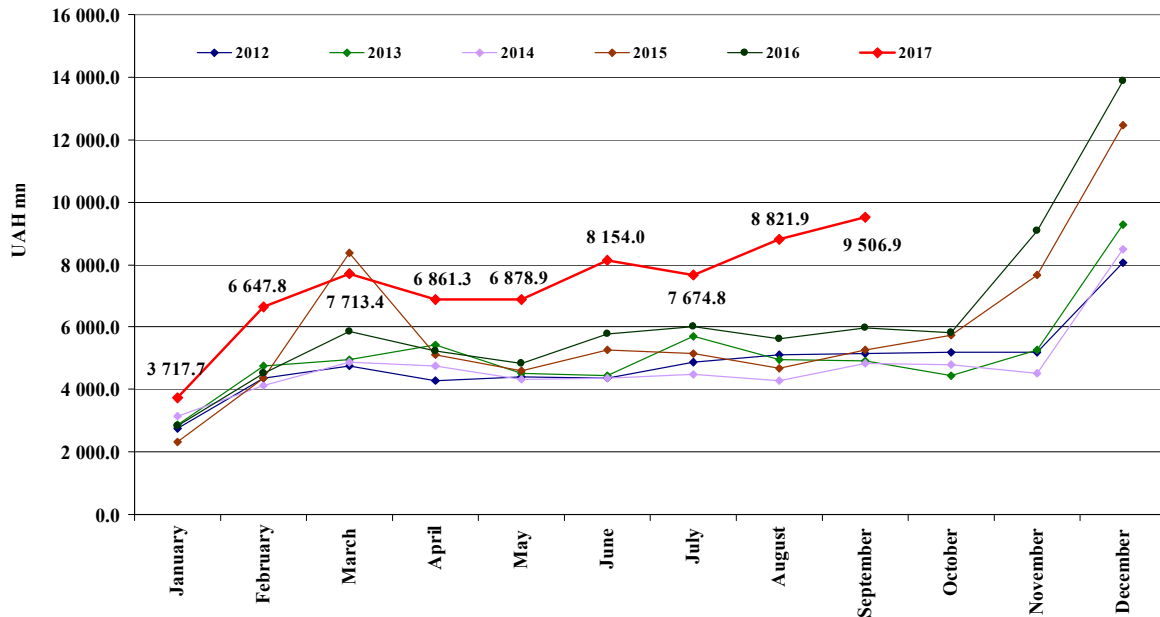
Graph 13

## Consolidated Budget Education Expenditures, Monthly Trends in 2012–2017



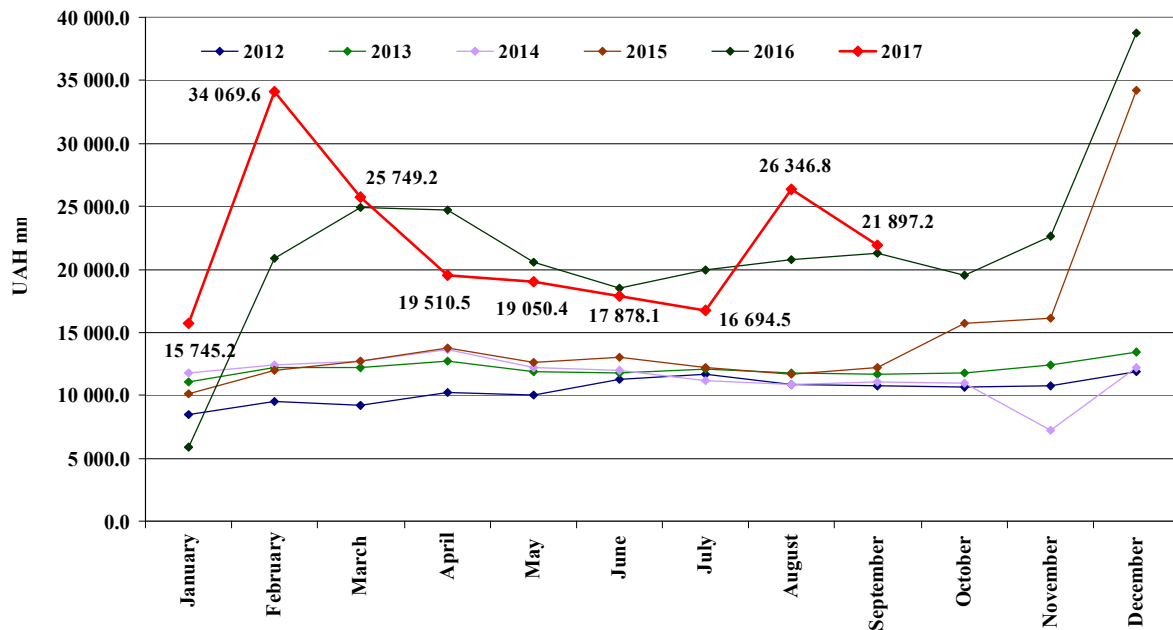
Graph 14

### 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

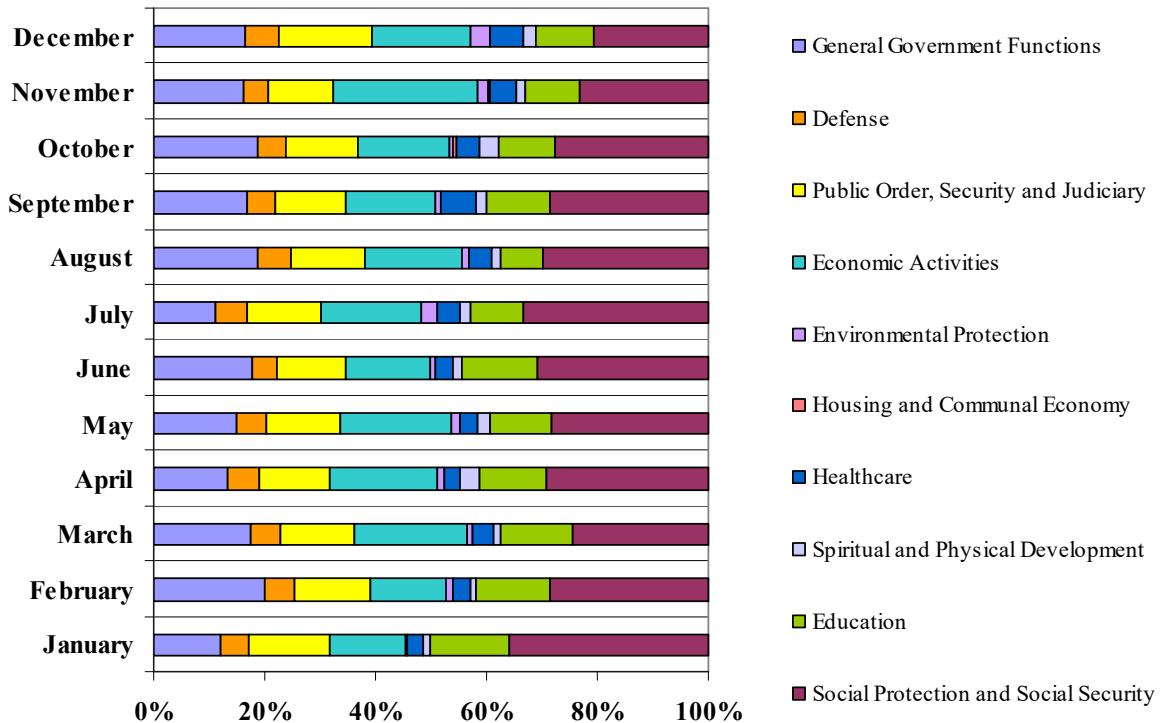


Diagram 13

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

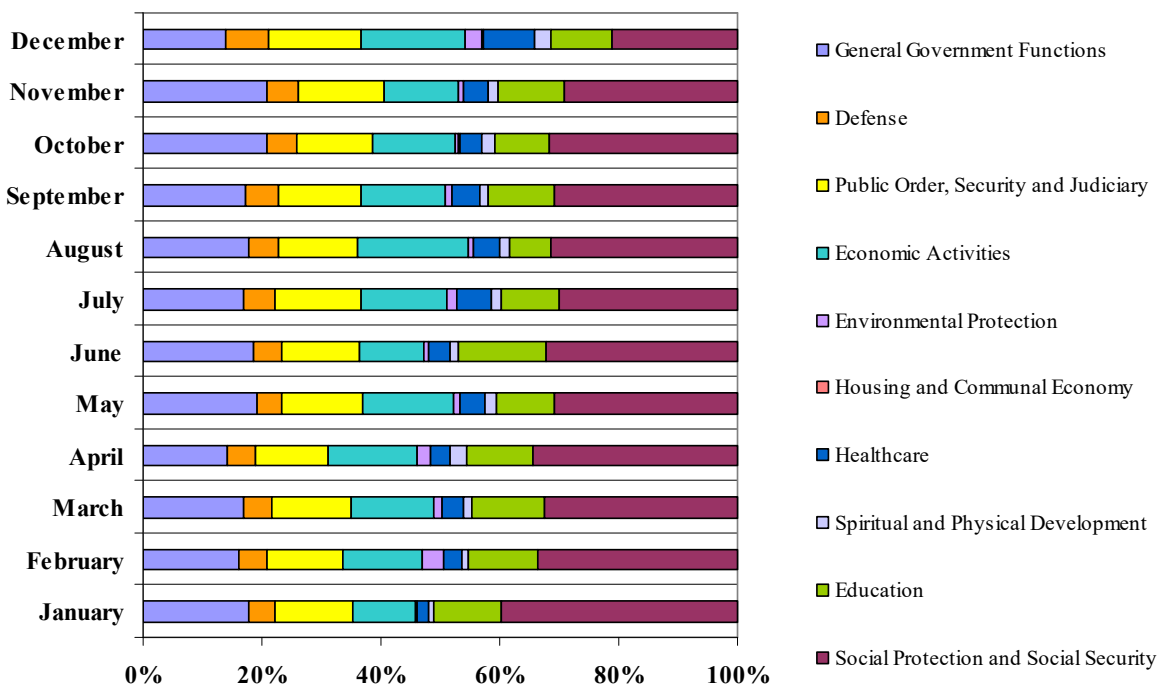


Diagram 14

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

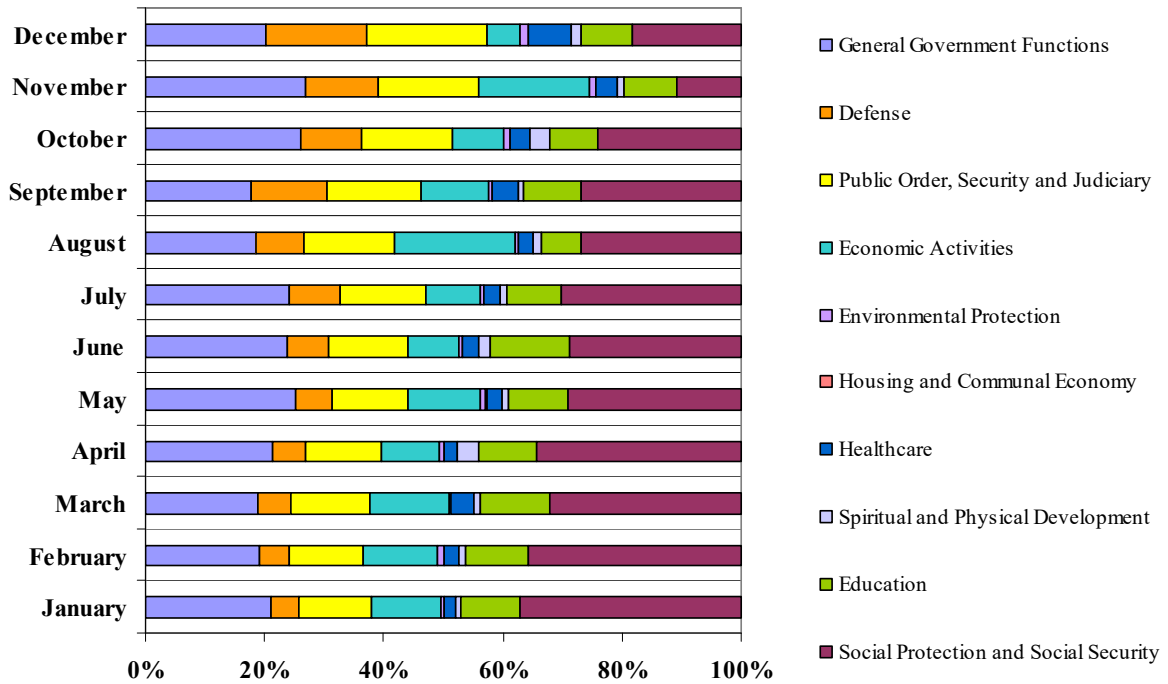


Diagram 15

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

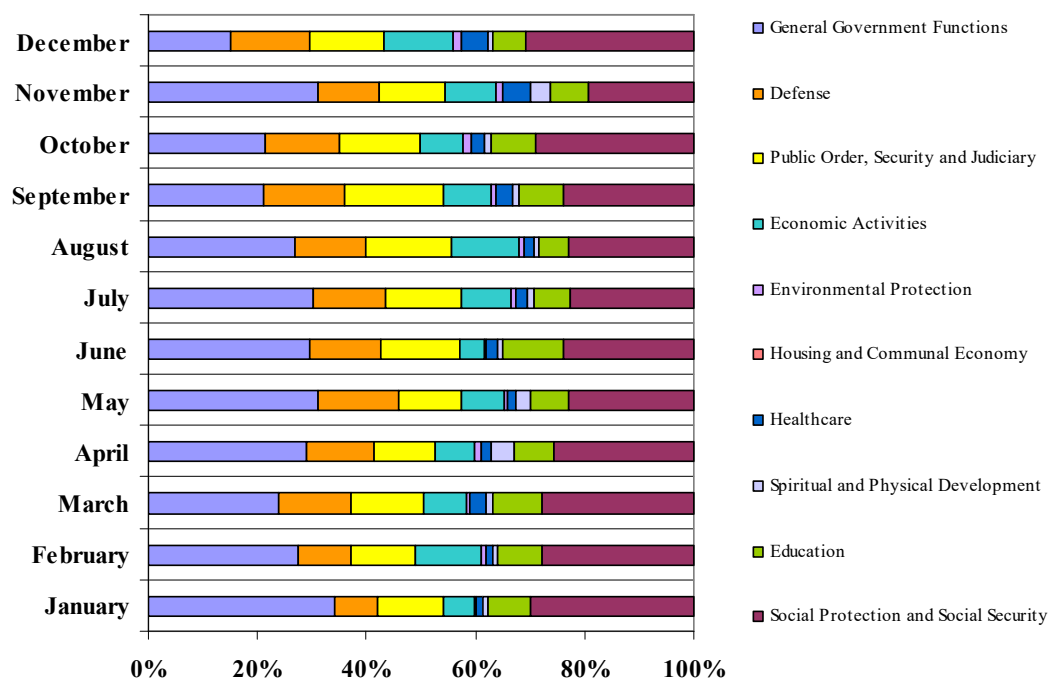


Diagram 16

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

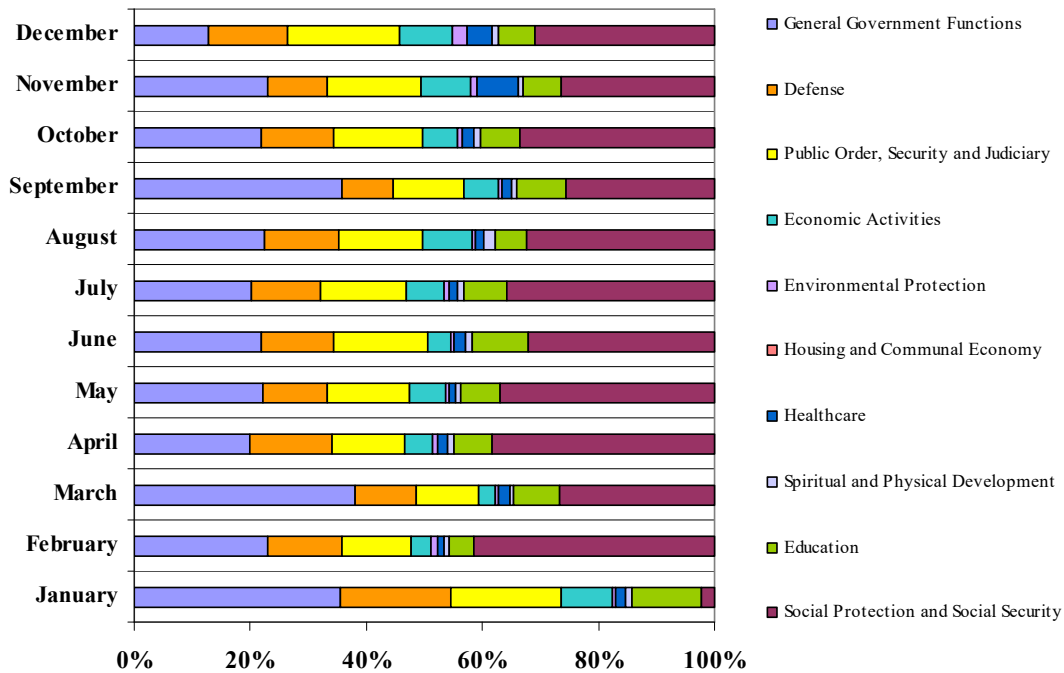
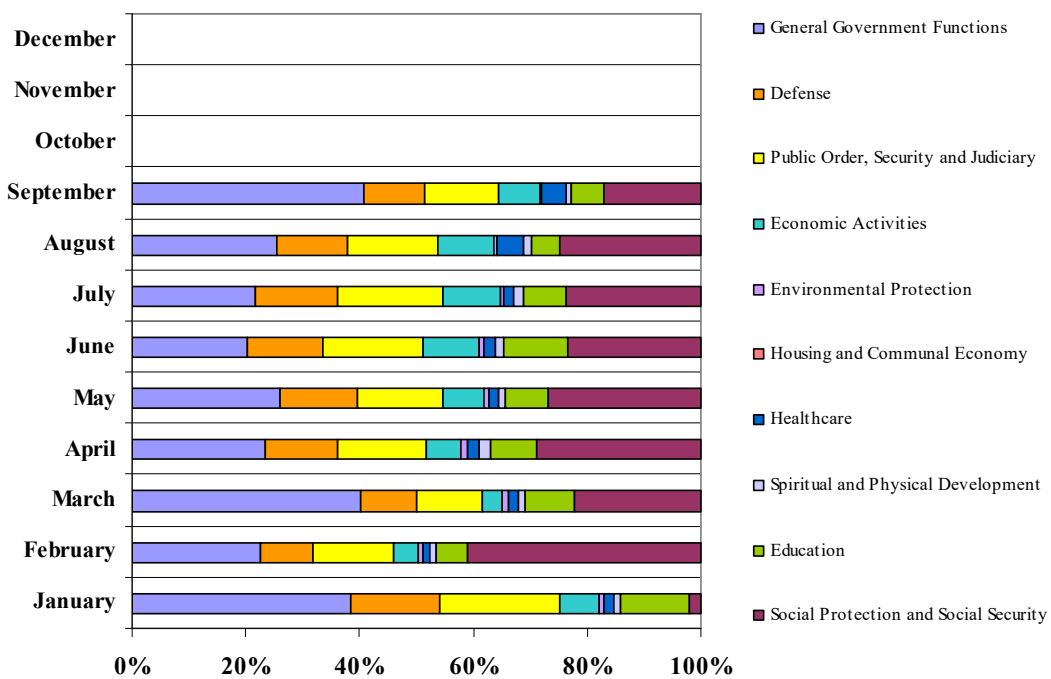


Diagram 17

### 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

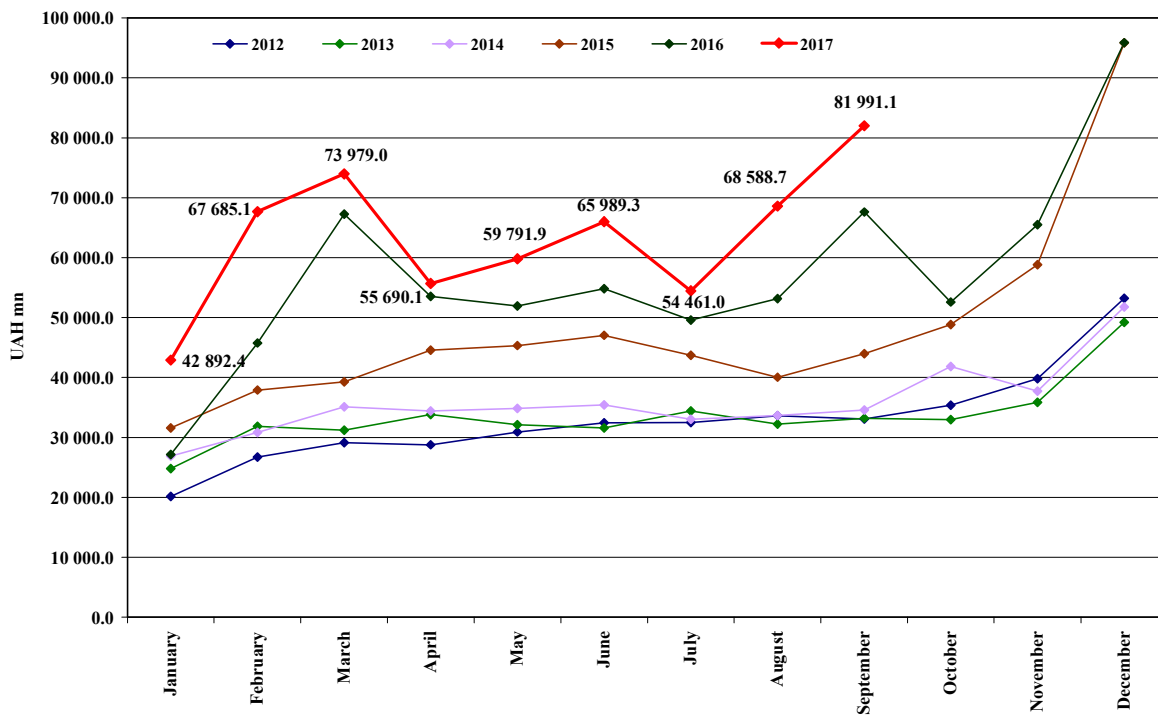
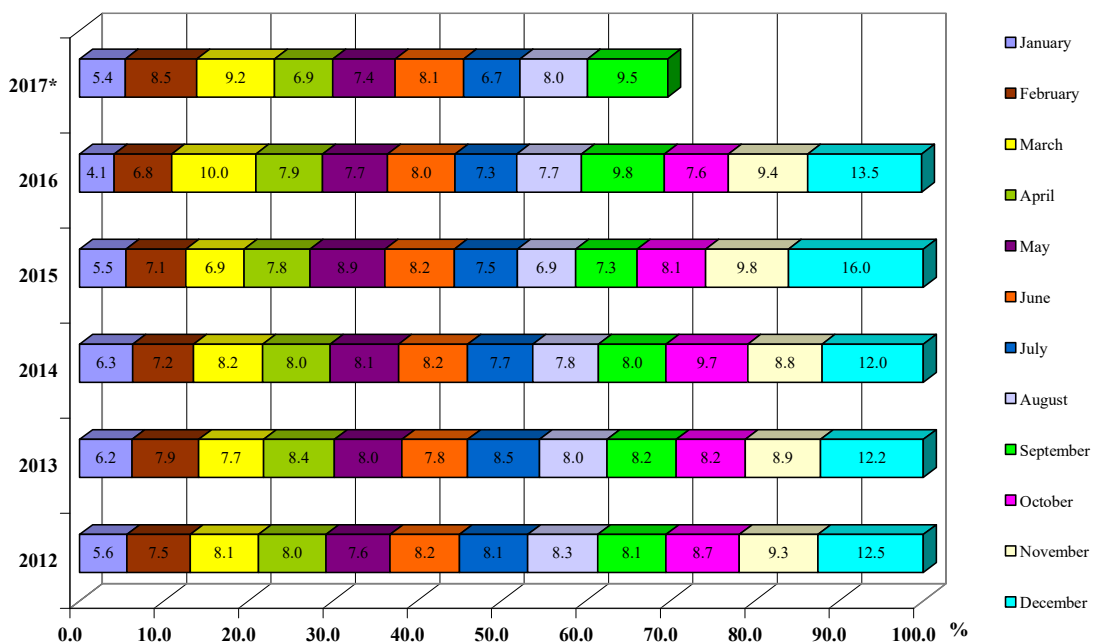


Diagram 18

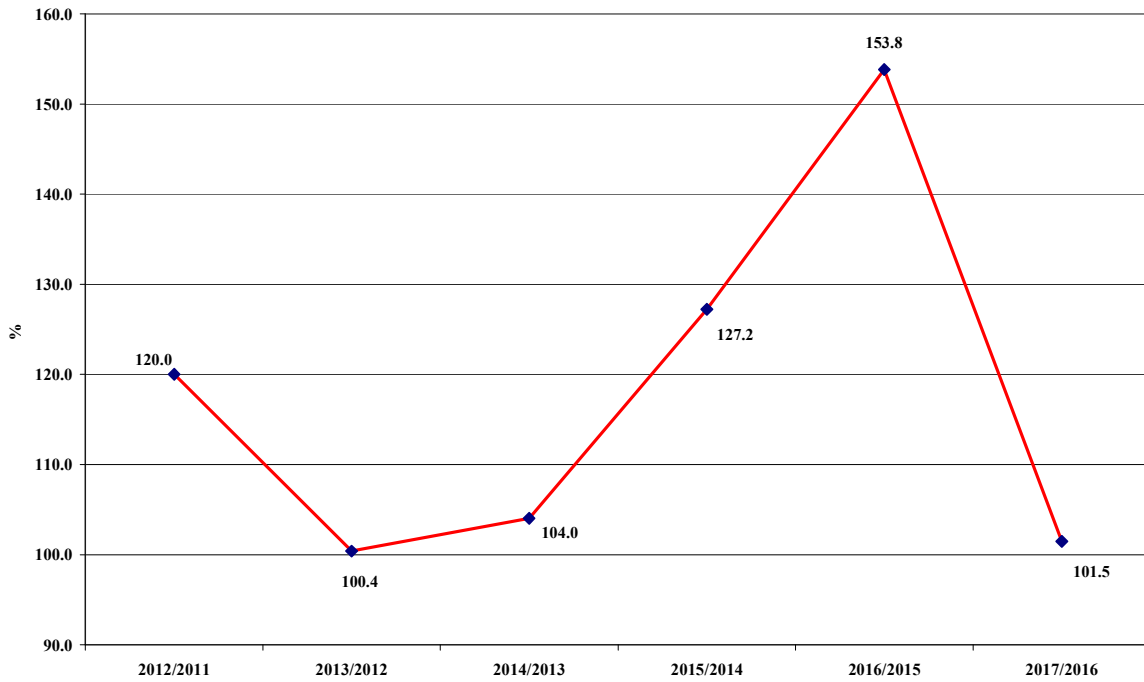
### Dynamics of the Share of Ukraine's State Budget Total Expenditures in Annual Amounts in 2012–2017



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

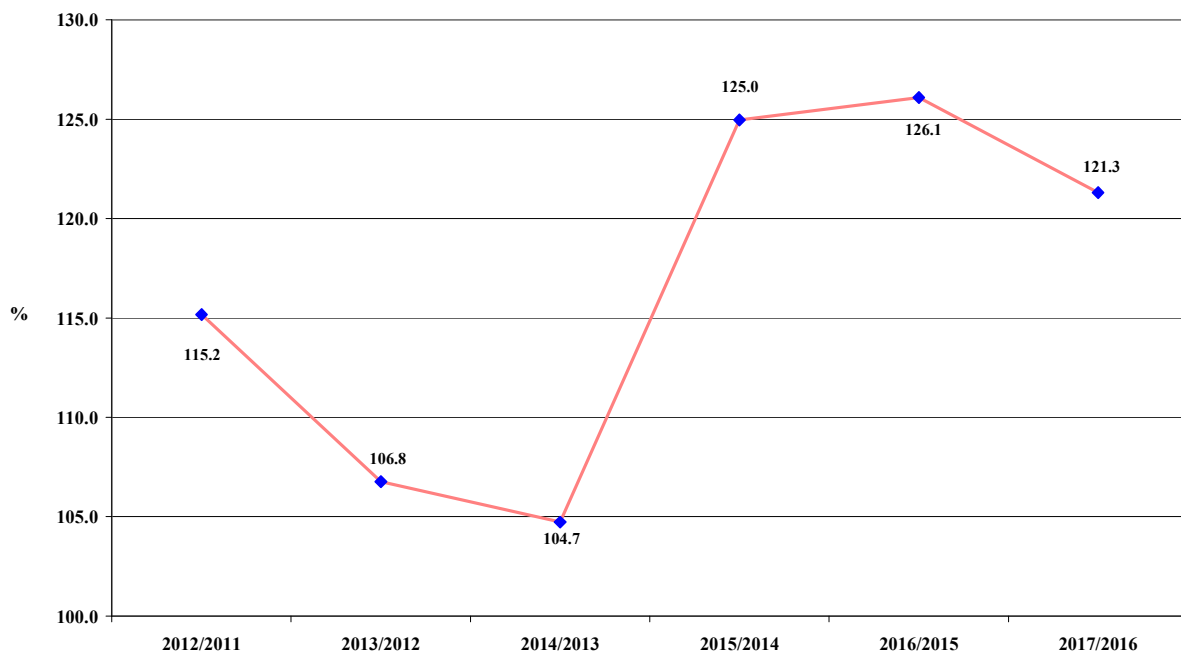
Graph 17

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



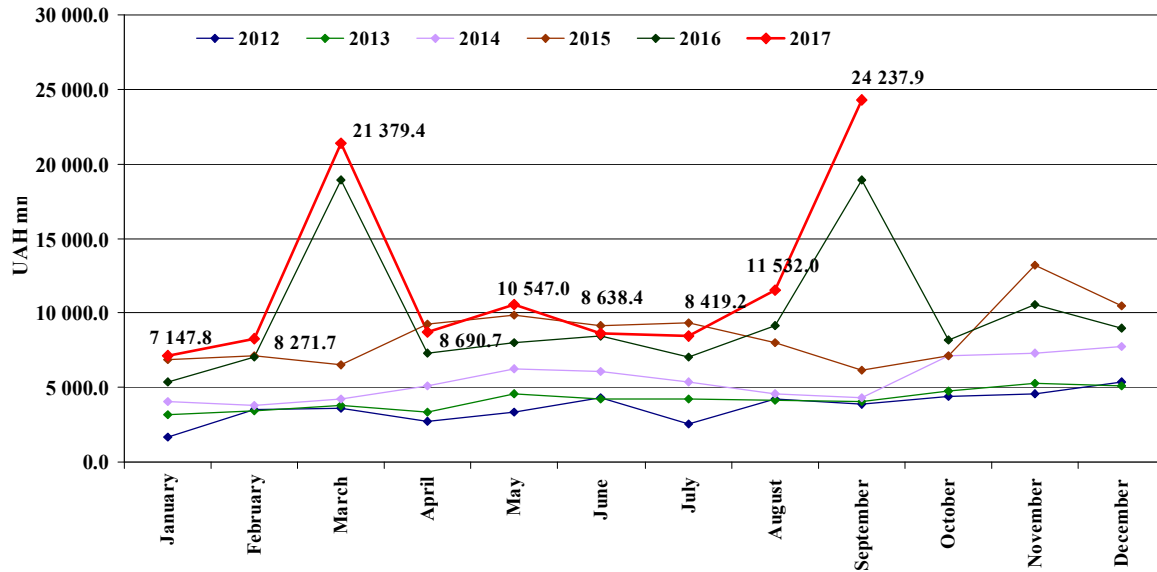
Graph 18

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



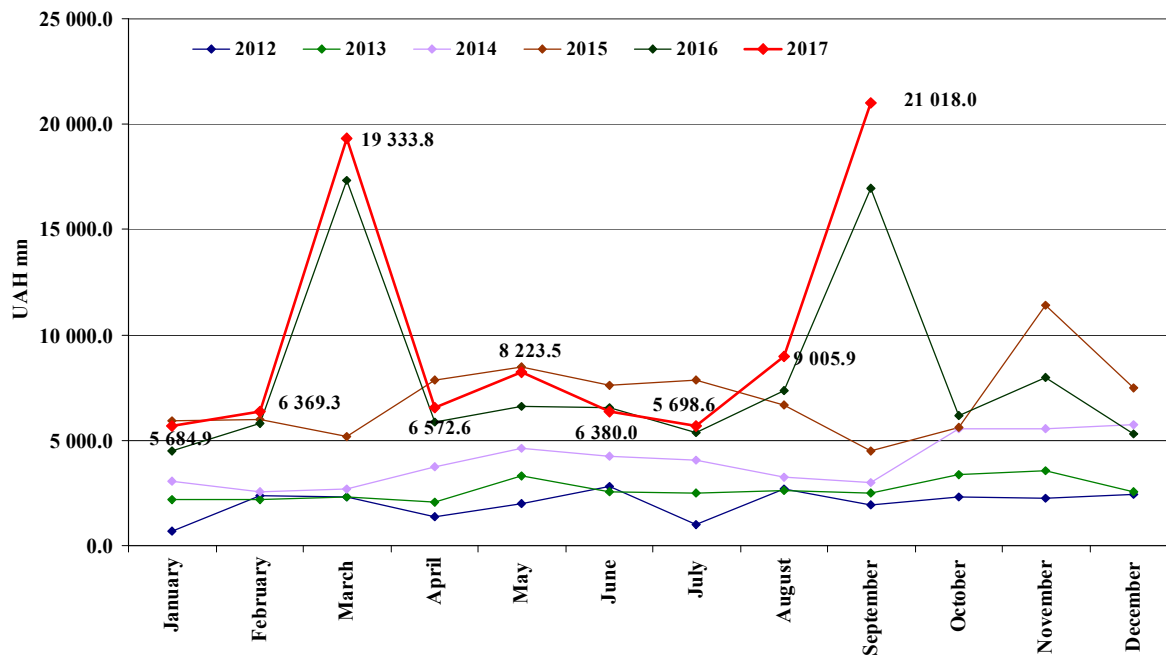
Graph 19

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



Graph 20

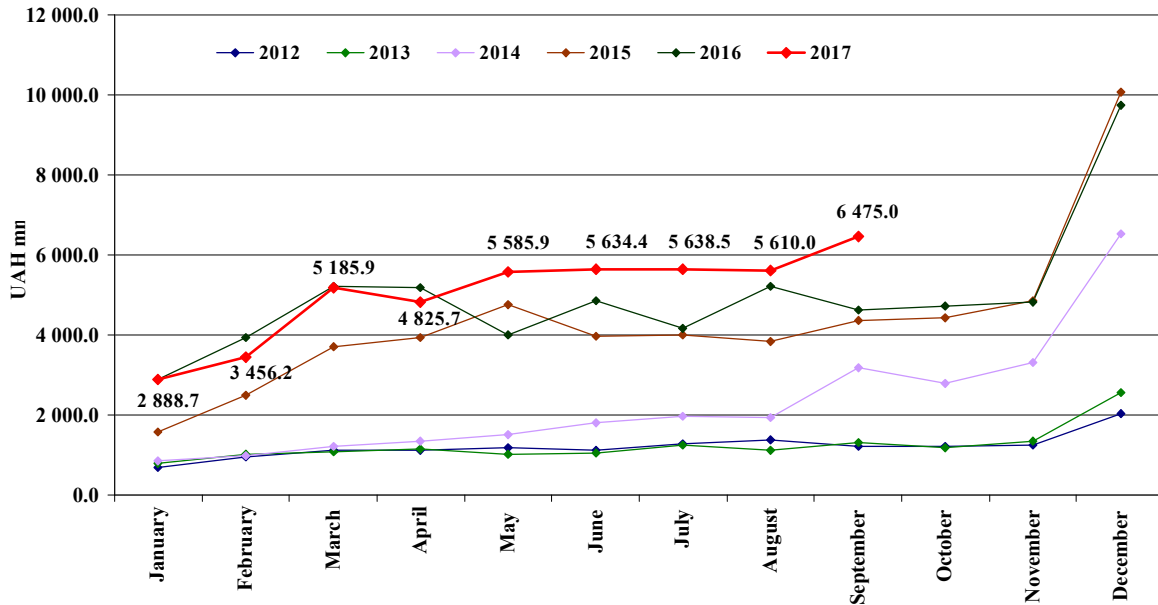
### State Budget Expenditures for Public Debt Servicing, Monthly Trends in 2012-2017





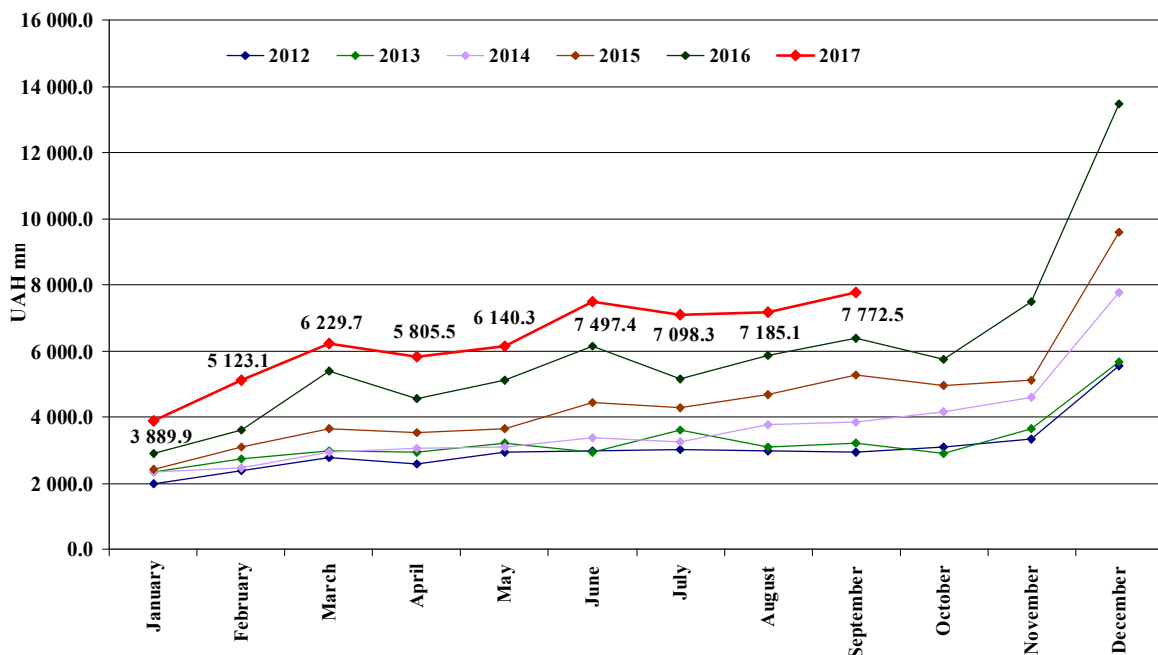
Graph 21

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



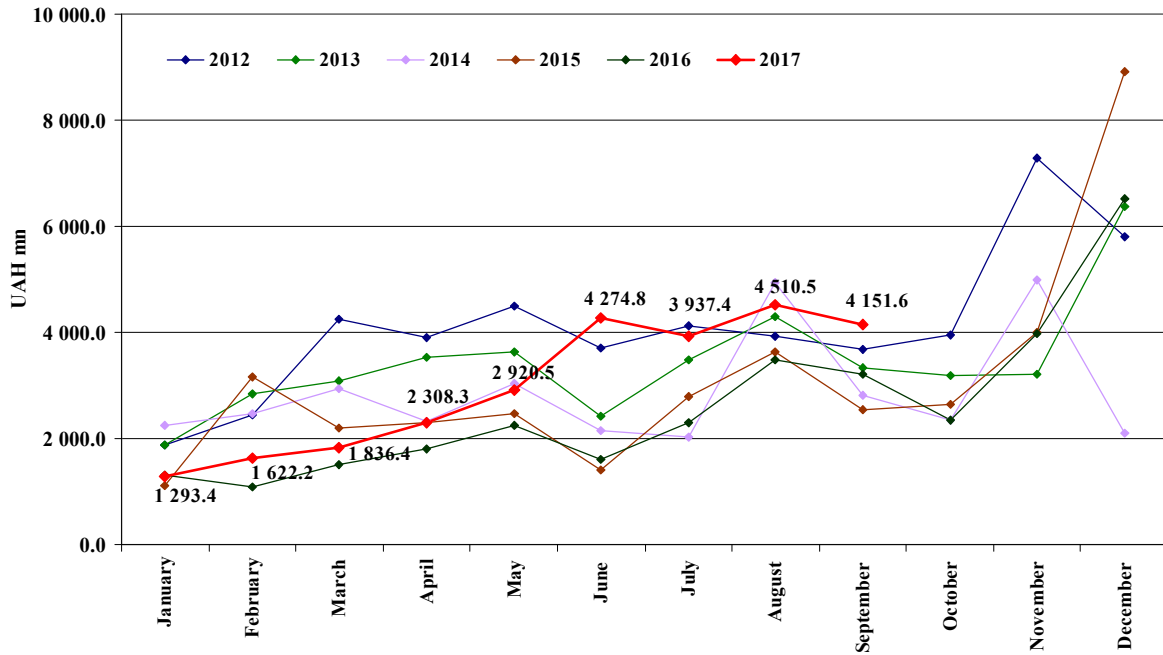
Graph 22

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



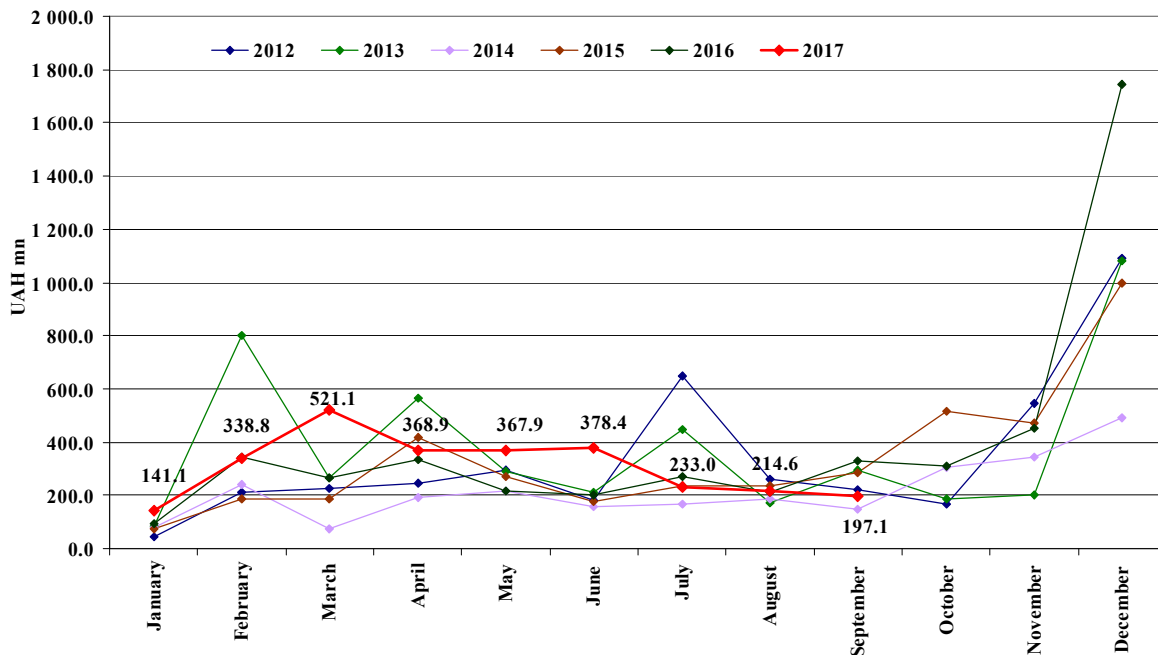
Graph 23

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



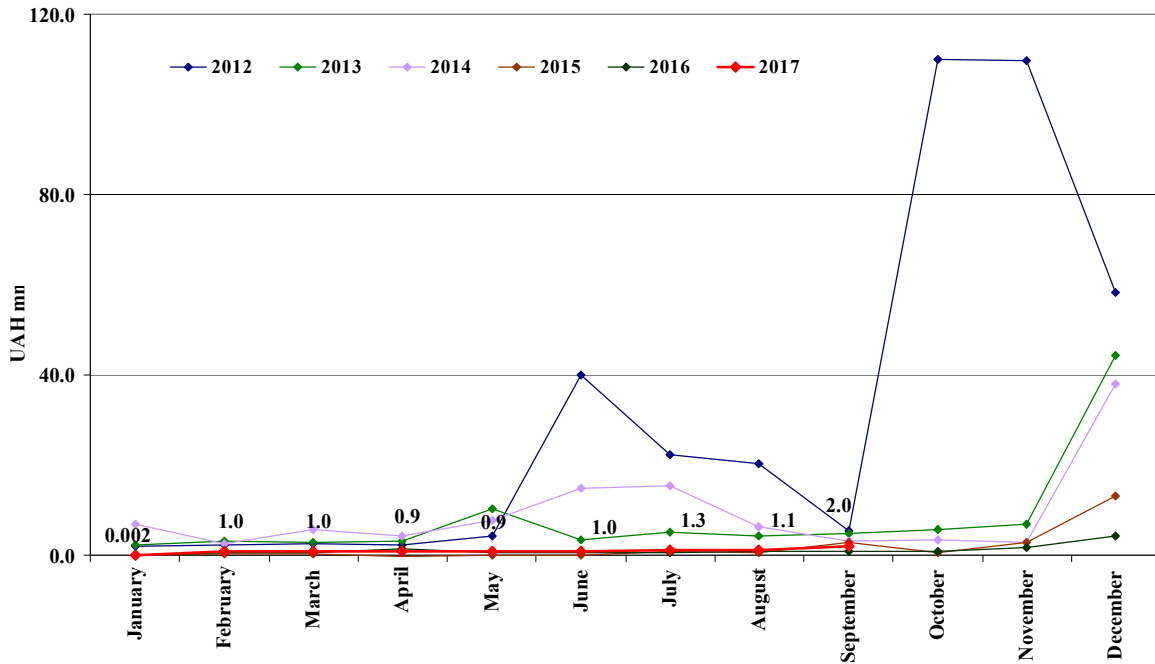
Graph 24

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



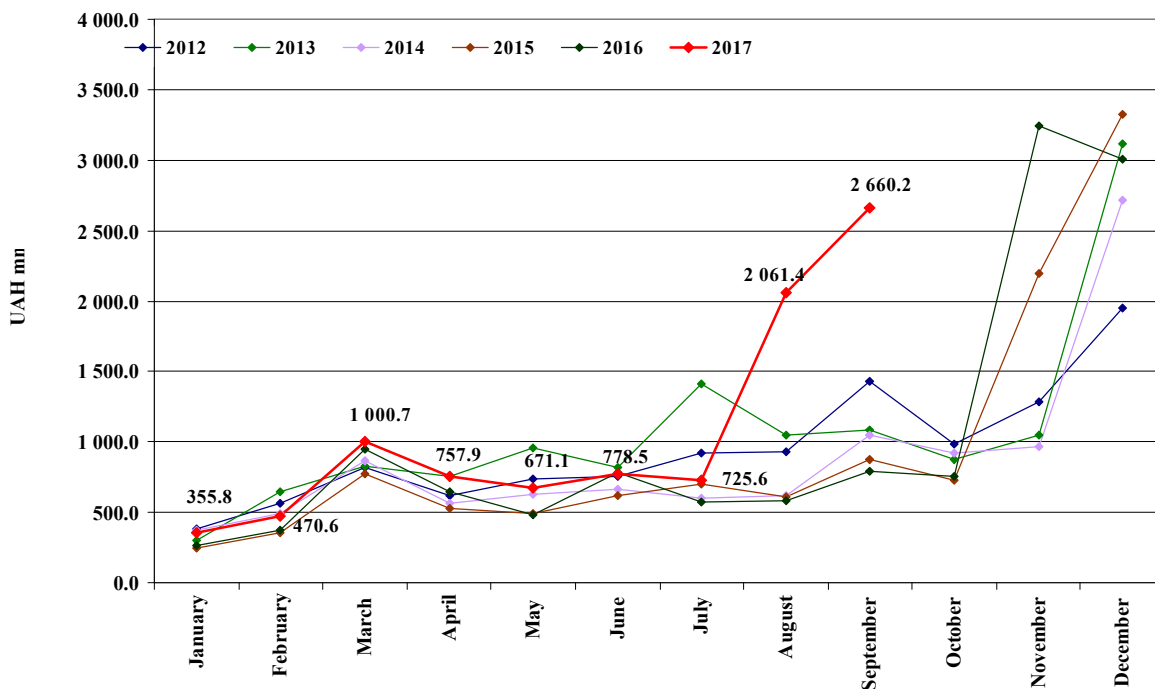
Graph 25

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



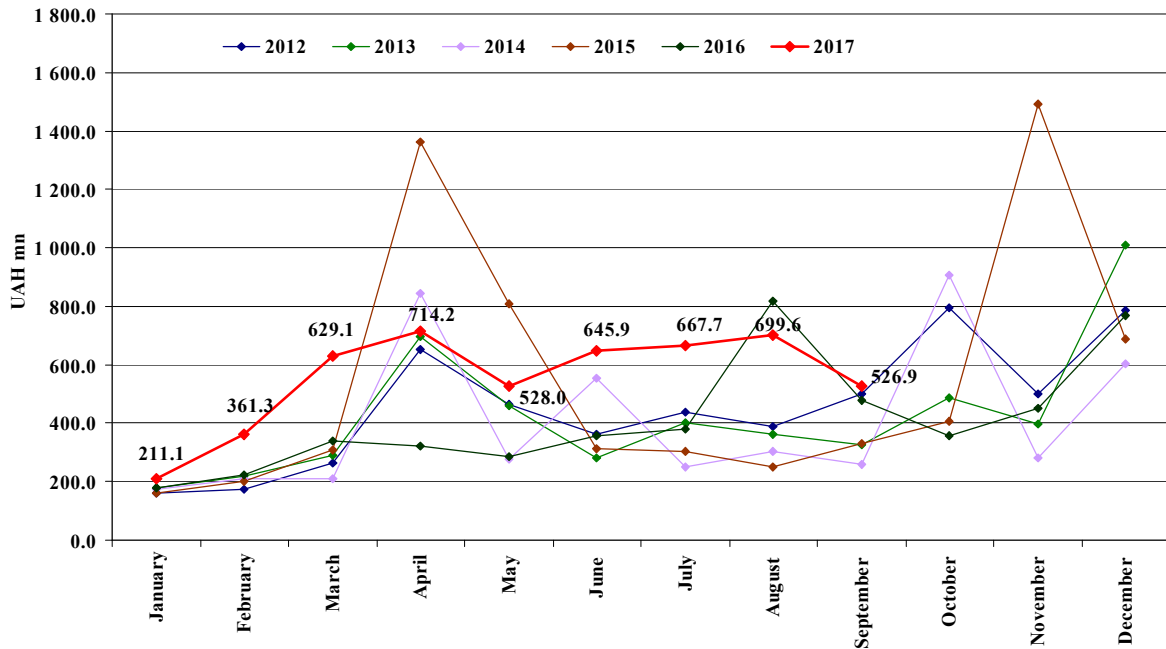
Graph 26

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



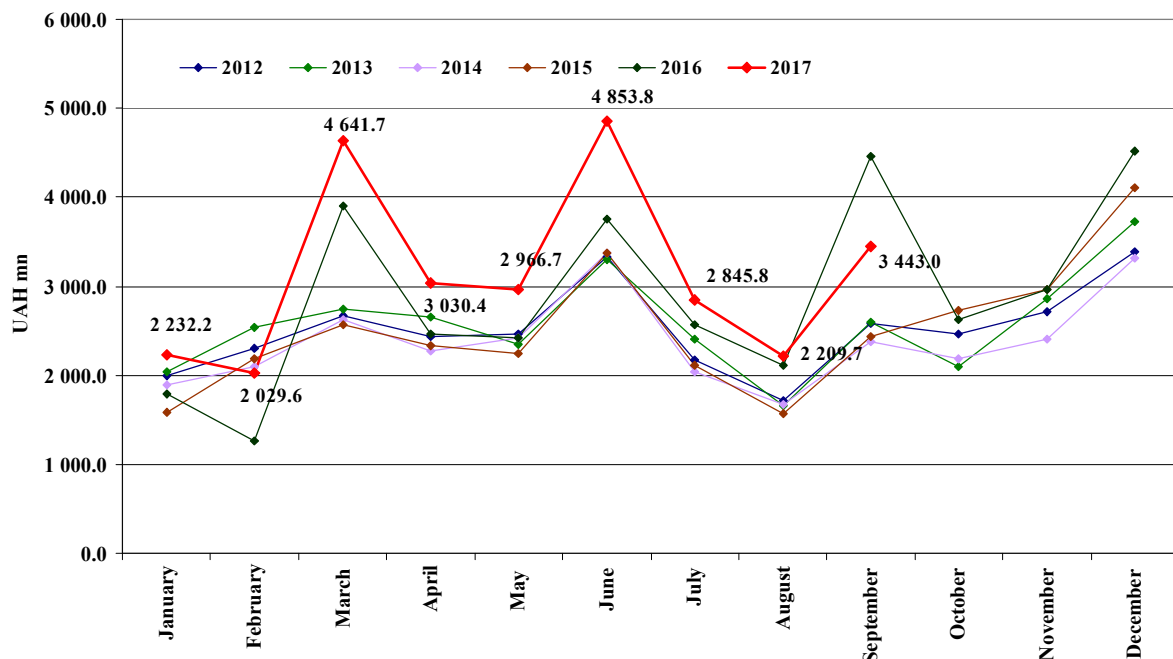
Graph 27

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

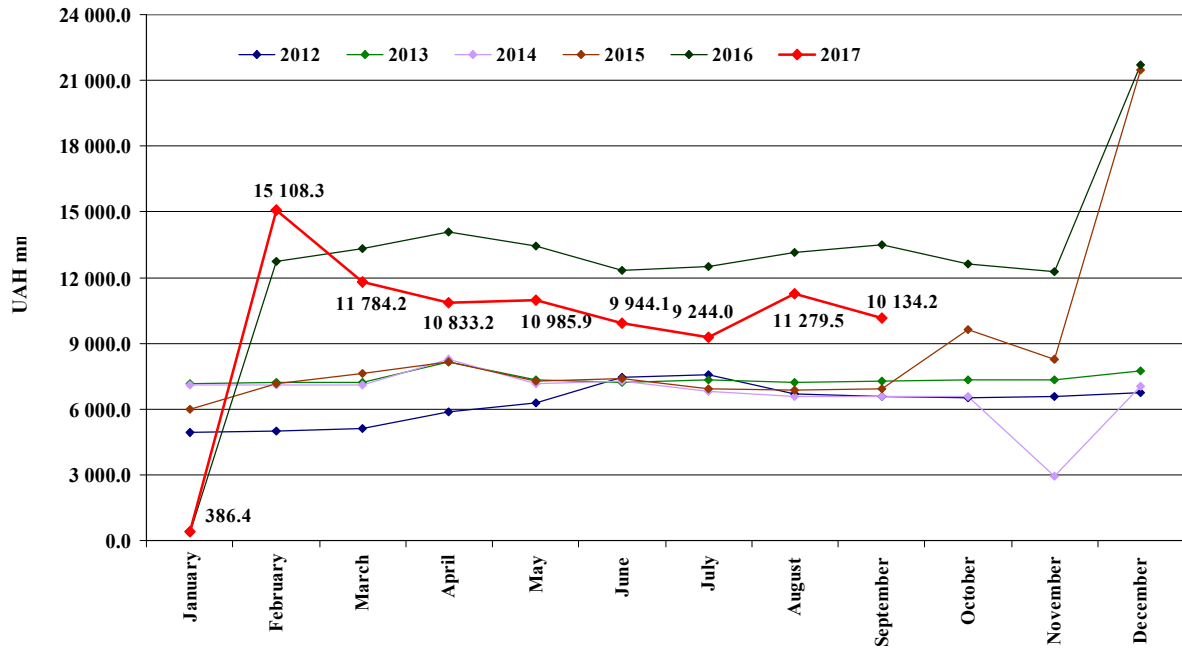


Graph 28

### 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

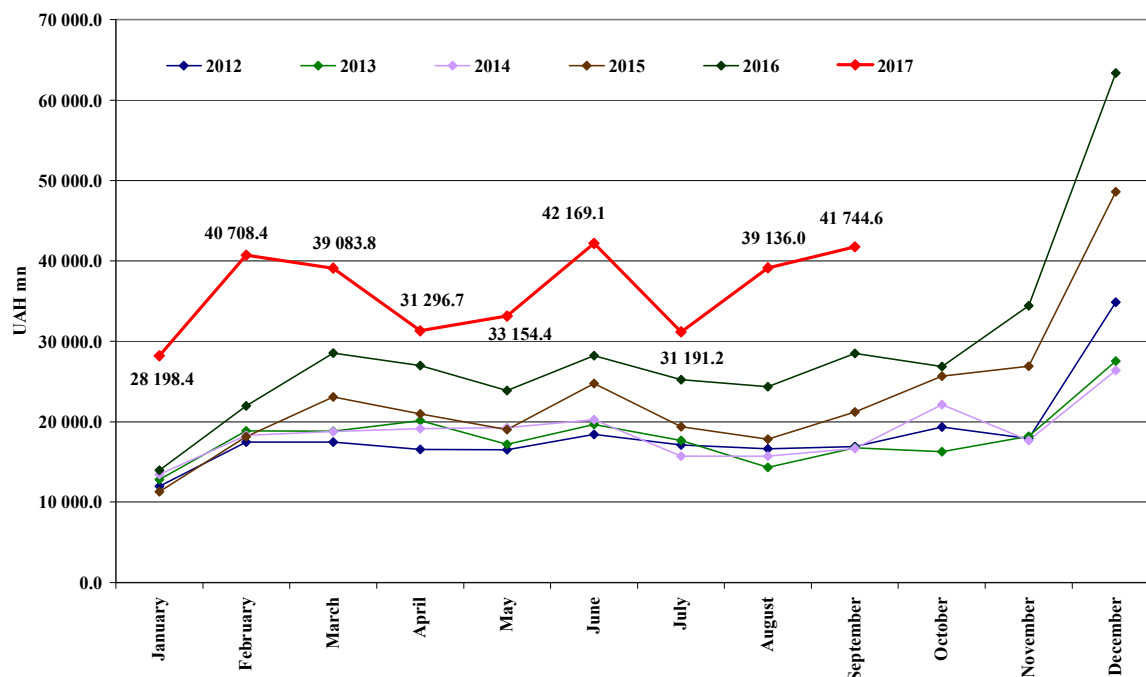
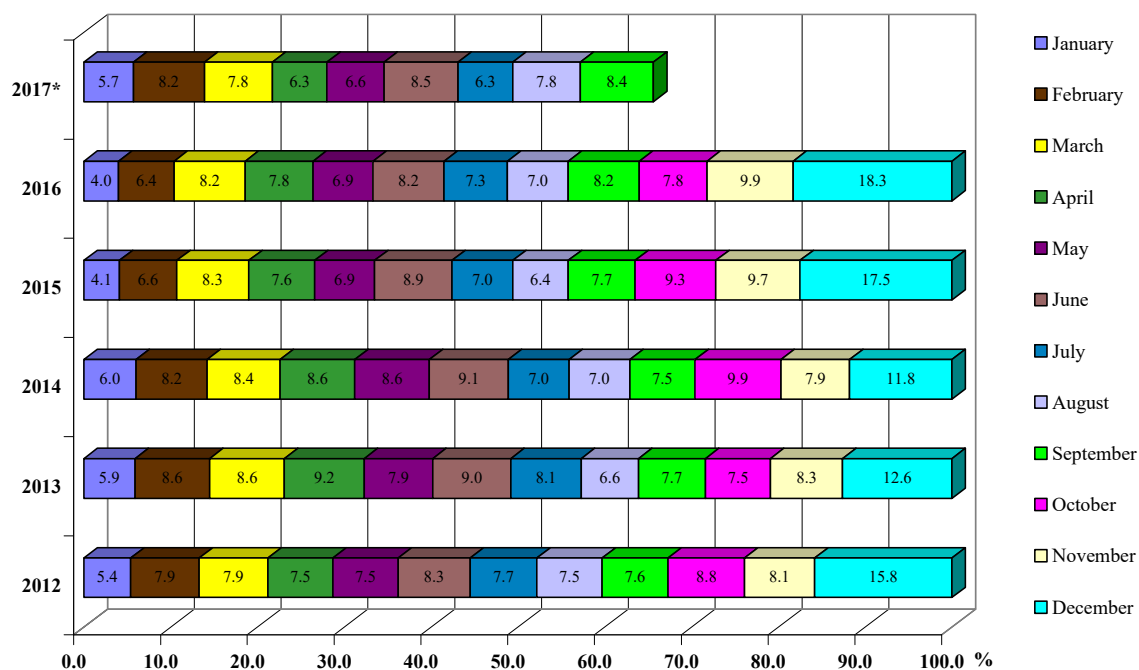


Diagram 19

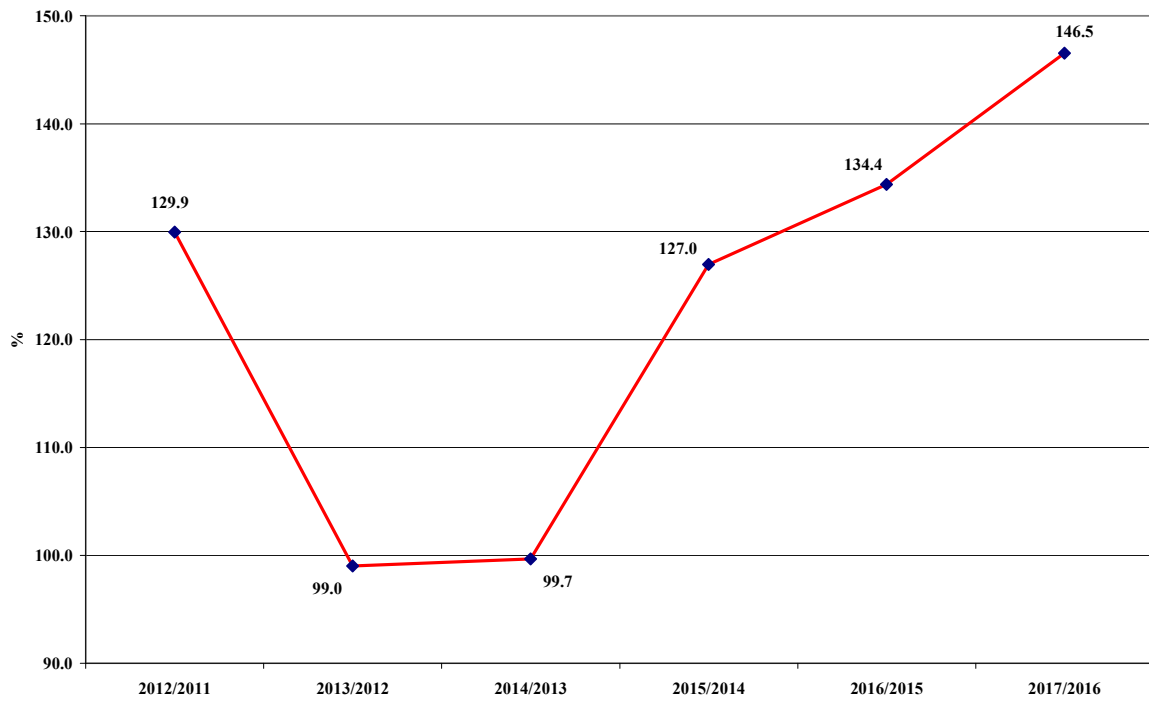
## Dynamics of the Share of Local Budget Expenditures in Annual Amounts in 2012–2017



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

Graph 31

### Growth Rates of Local Budget Expenditures in September 2012–2017



Graph 32

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

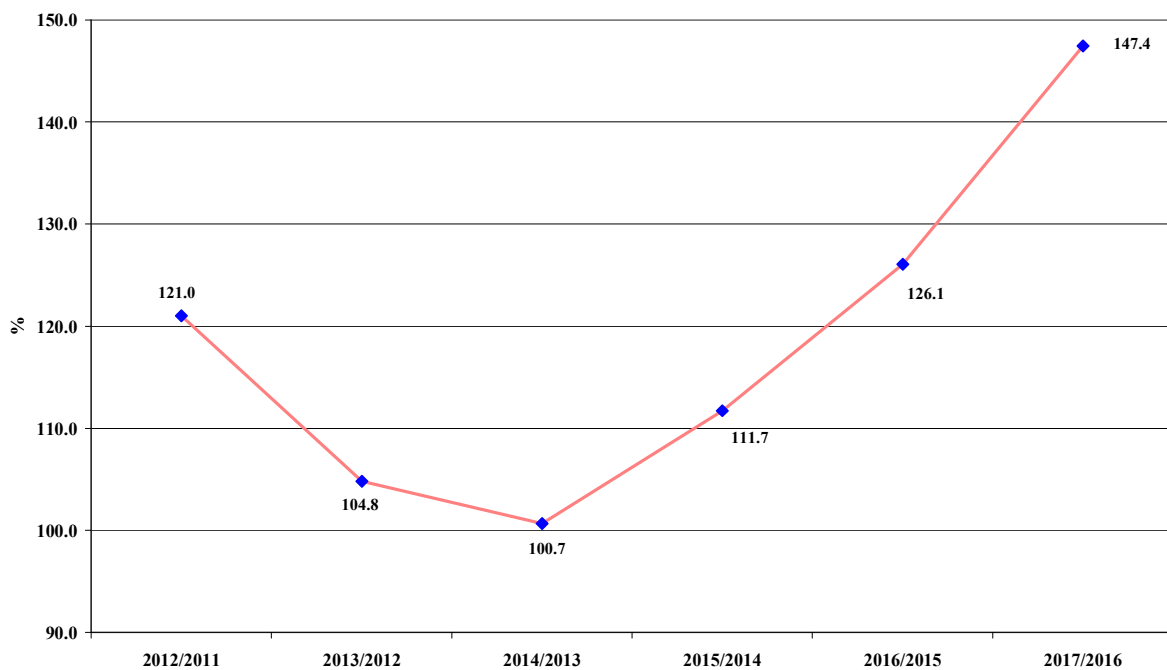


Diagram 20

### Local Budget Expenditures by Functional Classification in September 2017

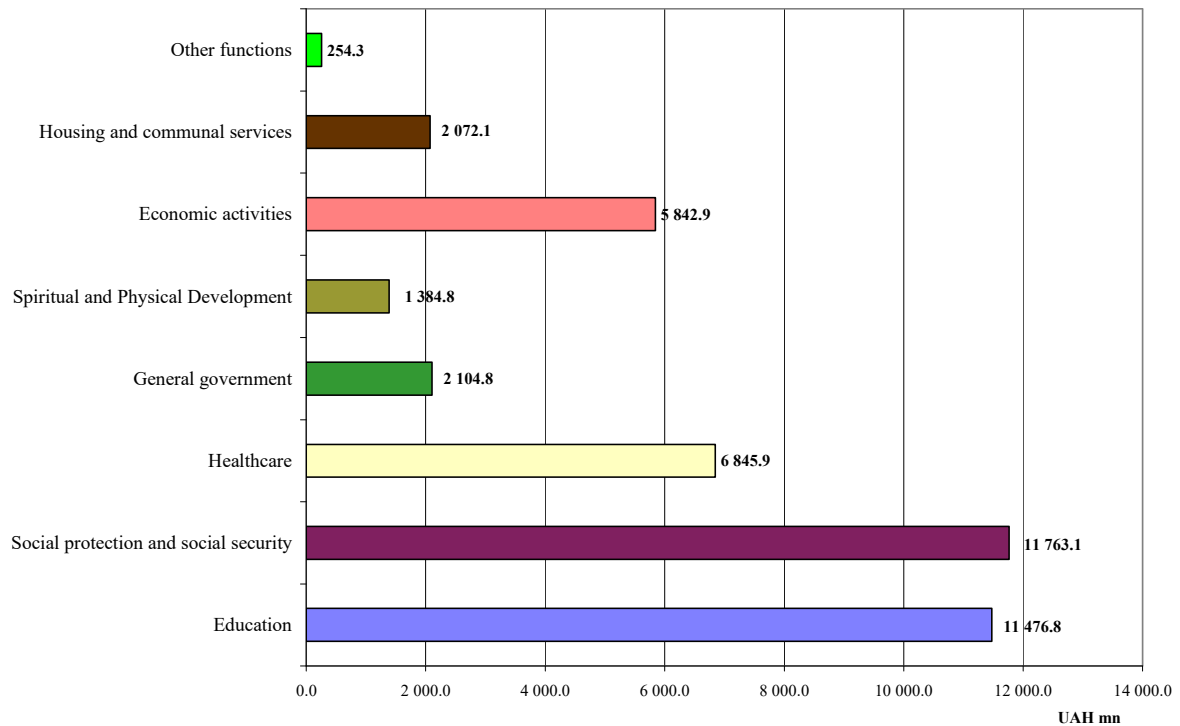
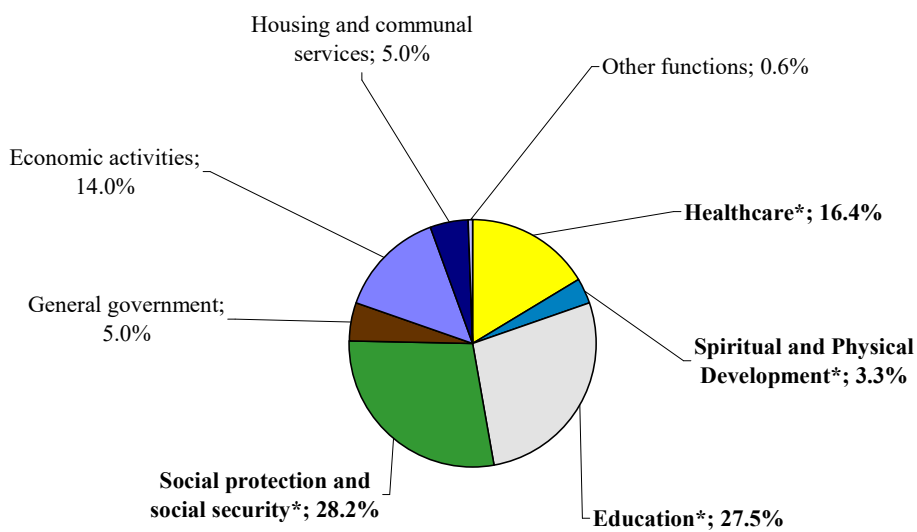


Diagram 21

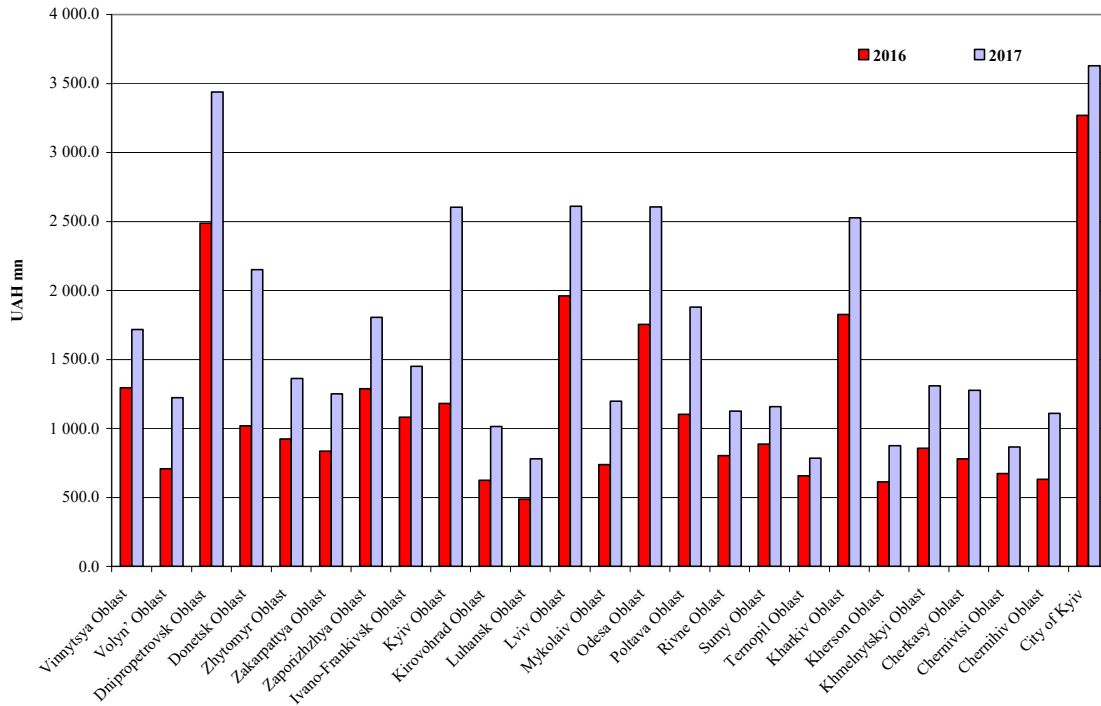
### Structure of Local Budget Expenditures by Functional Classification in September 2017



\* Expenditures for social and cultural sphere - 75.4%



### Regional Distribution of Local Budget Expenditures in September 2016–2017



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

