

November 2023

Ukraine's State Budget 2024

Public Finance for Children (PF4C) Budget Analysis Overview

Structure of State Budget Allocations



15% | SOCIAL PROTECTION & SOCIAL SUPPORT

TOTAL BUDGET 2024
(INCLUDING LOCAL TRANSFERS)
UAH 487.2 billion ▲ +3.3 %
\$ 12.0 billion

BUDGETED FOR 2023: \$ 12.8 billion
(14% of total allocations)



6% | HEALTH

TOTAL BUDGET 2024
(INCLUDING LOCAL TRANSFERS)
UAH 203.4 billion ▲ +14.6 %
\$ 5.0 billion

BUDGETED FOR 2023: \$ 4.8 billion
(5% of total allocations)



5% | EDUCATION

TOTAL BUDGET 2024
(INCLUDING LOCAL TRANSFERS)
UAH 179.1 billion ▲ +14.3 %
\$ 4.4 billion

BUDGETED FOR 2023: \$ 4.2 billion
(5% of total allocations)



6% | OTHER EXPENDITURES

TOTAL BUDGET 2024
(INCLUDING LOCAL TRANSFERS)
UAH 208.9 billion ▲ +9.3 %
\$ 5.1 billion

BUDGETED FOR 2023: \$ 5.2 billion
(6% of total allocations)



51% | DEFENSE & SECURITY

TOTAL BUDGET 2024
UAH 1672.8 billion ▼ -15.4 %
\$ 41.1 billion

BUDGETED FOR 2023: \$ 53.6 billion
(58% of total allocations)



4% | ECONOMIC ACTIVITY

TOTAL BUDGET 2024
UAH 137.7 billion ▼ -10 %
\$ 3.4 billion

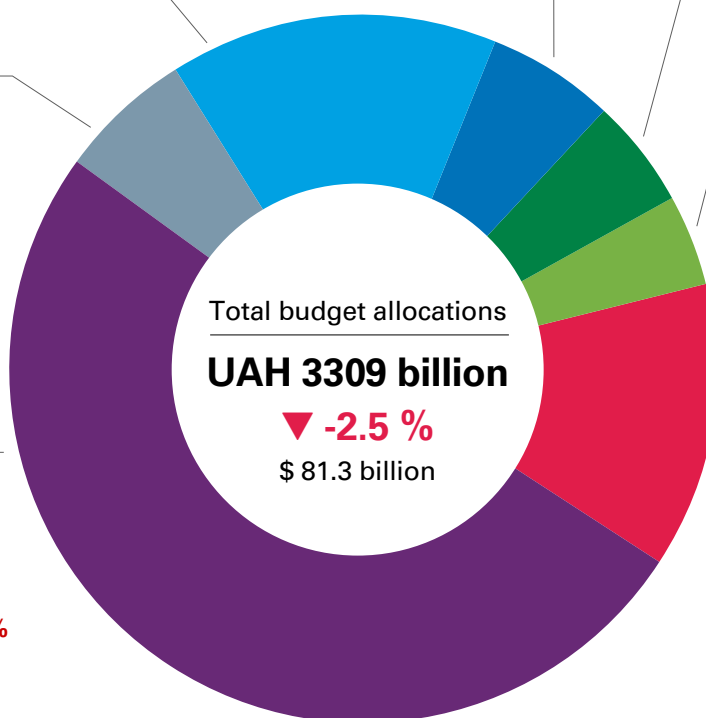
BUDGETED FOR 2023: \$ 4.1 billion
(5% of total allocations)



13% | STATE DEBT SERVICING

TOTAL BUDGET 2024
UAH 419.9 billion ▲ +58.3 %
\$ 10.3 billion

BUDGETED FOR 2023: \$ 7.2 billion
(8% of total allocations)



SOCIAL PROTECTION AND SOCIAL SUPPORT

Total allocation
(State budget with transfers) **UAH 487.2 billion**
▲ UAH 15.7 billion (+3.3%) to 2023

From State budget UAH 476.8 billion
Transfers to local budgets UAH 10.4 billion

KEY EXPENDITURES

Social protection of citizens in difficult life circumstances: UAH 88.7 billion (+UAH 2.6 billion or +3% to 2023).

Social protection of children and families: UAH 27.6 billion (+3% to 2023) for more than 1.6 million recipients.

Social protection of persons with disabilities and children with disabilities: UAH 6.7 billion (+88% to 2023).

Support for low-income families: UAH 20.2 billion (+30% to 2023) for more than 250,000 families. In 2024, transfer values for assistance to low-income families will be increased by 10% (for able-bodied persons from 45% to 55%, for children from 130% to 140%).

Housing subsidies and benefits to citizens: UAH 49.9 billion (+32% to 2023) for 3.2 million households. From 2024, these subsidies will be paid from the Pension Fund of Ukraine.

New budget program for the "Development of the system of social services": UAH 1.1 billion.

Rehabilitation and recreation of children who need special attention and support: UAH 0.3 billion (+6.7% to 2023).

Deinstitutionalization and ensuring the education of children in family or close to family settings (transfer to local budgets): UAH 575.3 million. This constitutes a 57-fold increase to 2023, although it represents only 74% of the 2021 budget allocation.

EDUCATION

Total allocation
(State budget with transfers) **UAH 179.1 billion**
▲ UAH 22.5 billion (+14.3%) to 2023

From State budget UAH 68.7 billion
Transfers to local budgets UAH 110.4 billion

KEY EXPENDITURES

Teachers' salaries: UAH 103.2 billion (+UAH 15.6 billion or +17.9% to 2023).

Shelters and safe conditions for students and teachers: UAH 2.5 billion (+UAH 1.0 billion or +66.7% to 2023).

The "New Ukrainian School" program: UAH 1.5 billion (not funded in 2022 and 2023).

Education for persons with special educational needs: UAH 0.3 billion (as in 2023).

Equipment for the creation of educational and practical centers of modern professional and technical education: UAH 0.5 billion (not funded in 2022 and 2023).

Restoration and modernization of food blocks in schools: UAH 1.5 billion (new program).

Restoration of the school bus park: UAH 1.0 billion (as in 2023).

HEALTH

Total allocation
(State budget with transfers) **UAH 203.4 billion**
▲ UAH 25.9 billion (+14.6%) to 2023

From State budget UAH 200.6 billion
Transfers to local budgets UAH 2.8 billion

KEY EXPENDITURES

Medical guarantee program UAH 158.8 billion (+UAH 16.0 billion or +11.2% to 2023):

- Primary medical care;
- Emergency medical care;
- Specialized medical care in outpatient and inpatient settings;
- Psychological support and psychological assistance services;
- Reimbursement of the cost of medicines and medical products;
- Other types of medical care.

New service for increasing access to reproductive technologies: UAH 1.5 billion.

Public health and epidemic control measures: UAH 4.9 billion (+UAH 1.1 billion or +29.6% to 2023).

Shelters and safe conditions for healthcare institutions: UAH 1.0 billion (new program).

ECONOMIC ACTIVITY

Total allocation
(State budget with transfers) **UAH 137.7 billion**
▼ UAH 15.3 billion (-10.0%) to 2023

KEY EXPENDITURES

Introduction of new technologies, expansion of the capacities for the manufacture of defense products: UAH 51 billion (+UAH 39 billion (4.2 times more than in 2023)).

Entrepreneurship Development Fund: UAH 18 billion (+UAH 2 billion or +12.5% to 2023).

Fund for Innovation in Development: UAH 1.5 billion (+UAH 1.4 billion (50 times more than in 2023)).

There are no programs scheduled for 2023:

- **The fund for liquidation of the consequences of armed aggression:** (UAH 35.5 billion in 2023);
- **The development of the network and the maintenance of public highways of national importance:** (UAH 27.5 billion in 2023);
- **The renewal of rolling stock for passenger transportation by rail:** (UAH 1.1 billion in 2023).

OTHER EXPENDITURES

Total allocation
(State budget with transfers) **UAH 208.9 billion**
▲ UAH 17.7 billion (+9.3%) to 2023

From State budget UAH 141.8 billion
Transfers to local budgets UAH 67.1 billion

Under 'Other Expenditures', investments on **Youth & Sports** are as follows:

Total allocation on youth and sport
(State budget with transfers) **UAH 7.5 billion**
▲ 2 times more than in 2023, including UAH 54 mln of Transfers to local budgets

KEY EXPENDITURES

Preparation and participation of national teams in more than 3,700 sports events and their awards: UAH 4.9 billion.

Preparation and participation of Ukrainian athletes in the Olympic Games UAH 1.9 billion.

Implementation of the social project "Active parks — locations of healthy Ukraine": UAH 124.2 million. This project is aimed at supporting mental health and healthy lifestyles for over 5 million Ukrainians.

DEFENSE AND SECURITY

Total allocation: UAH 1672.8 billion, corresponding to **95%** of planned State budget revenues for 2024 (UAH 1768.5 billion).

The Fund for the Liquidation of the Consequences of Armed Aggression is not included in the budget for 2024. In previous years, financial resources were allocated to this end (UAH 17.0 billion in 2022; UAH 35.5 billion in 2023).

LOCAL BUDGETS

Total local budget transfers and revenues **UAH 687.2 billion**
▲ UAH 46.6 billion planned for 2023

Local budget revenues (forecast) UAH 496.5 billion
▲ UAH 42.1 billion planned for 2023

Transfers to local budgets UAH 190.7 billion
▲ UAH 4.5 billion (+2.4%) planned in 2023

For the year 2024:

- The revenues from the taxation of financial support to military personnel will be entirely directed to the State budget. In 2022 and 2023, 64% of these revenues were credited to territorial communities' budgets and 15% to regional budgets instead.
- 64% of the personal income tax of the other taxpayers will be directed to local budgets, as in 2022 and 2023.
- The State Fund for Regional Development is not included in the budget for 2024. In 2023, planned resources (UAH 2.0 billion) were reallocated to finance the defense and security sector.