

## Ukraine: Statistical Appendix

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**International Monetary Fund  
Washington, D.C.**

INTERNATIONAL MONETARY FUND

UKRAINE

**Statistical Appendix**

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Approved by European Department

October 18, 2005

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Table 1. Ukraine: Gross Domestic Product, 2000–04  
(in billions of hryvnias; at current prices)

	2000			2001			2002			2003			2004/1				
	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec			
Gross domestic product (GDP)	170.1	39.2	85.7	144.7	204.2	44.1	94.2	159.3	225.8	52.6	113.4	189.2	267.3	64.7	143.7	244.2	344.8
Labor payments	71.9	18.0	39.1	61.8	86.4	21.5	45.7	73.0	103.1	25.1	53.9	86.5	122.2	30.0	66.2	107.5	151.9
Consumption of fixed capital and net profit	69.7	15.2	34.2	62.9	90.5	17.0	36.2	66.5	95.1	20.8	45.0	80.2	114.9	25.3	58.2	106.8	153.4
Net taxes on production and imports	28.5	6.0	12.4	20.0	27.3	5.6	12.3	19.8	27.6	6.7	14.5	22.5	30.2	9.4	19.3	29.9	39.5
<i>Memorandum item:</i>																	
Cumulative change in real GDP (in percent)	5.9	7.7	8.2	9.5	9.2	5.8	5.3	5.4	5.2	9.1	10.3	8.5	9.6	12.7	13.2	13.5	12.1

Source: Ukrainian State Statistics Committee.

1/ Preliminary quarterly data; quarterly breakdown for most recent annual data not yet available.

Table 2. Ukraine: Expenditure Components of Gross Domestic Product, 2000-04  
(In billions of hryvnias; at current prices)

	2000			2001			2002			2003			2004 1/				
	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Gross domestic product	170.1	39.2	85.7	144.7	204.2	44.1	94.2	159.3	225.8	52.6	113.4	189.2	267.3	64.7	143.7	244.2	344.8
Final consumption	128.0	32.3	68.4	110.4	156.3	35.7	74.7	120.7	170.3	40.6	86.7	141.5	201.6	49.9	107.8	175.3	252.7
Households	92.4	23.7	49.3	80.6	112.2	25.9	53.9	89.0	124.6	29.5	62.3	103.9	146.3	36.4	78.8	130.4	185.5
Nonprofit organizations	3.9	0.8	1.8	2.8	4.0	0.9	1.9	3.0	4.2	1.0	2.0	3.2	4.5	1.1	2.3	3.6	4.8
Government	31.7	7.8	17.3	27.0	40.1	8.9	18.9	28.7	41.5	10.1	22.4	34.4	50.8	12.4	26.7	41.3	62.4
Gross accumulation of fixed assets	33.4	6.7	15.5	26.4	40.2	7.6	17.6	29.4	43.3	9.8	22.6	37.9	55.0	12.5	27.8	46.9	69.6
Change in inventories and net acquisition of valuables	0.1	-1.0	-1.0	4.1	4.3	-2.0	-2.6	2.6	2.3	-1.5	-1.5	3.0	3.8	-4.4	-7.7	0.1	-3.5
Exports of goods and services	106.2	27.1	56.0	83.9	113.3	26.9	56.2	88.5	124.4	33.5	69.7	109.6	154.4	46.8	100.2	154.1	211.3
Imports of goods and services	-97.6	-25.9	-53.2	-80.1	-109.9	-24.1	-51.7	-81.9	-114.5	-29.8	-64.1	-102.8	-147.5	-40.1	-84.4	-132.2	-185.3

Source: Ukrainian State Statistics Committee.

1/ Preliminary quarterly data; quarterly breakdown for most recent annual data not yet available.



Table 4. Ukraine: Gross Industrial Production Sold, 2001-04

	2001	2002	2003	2004
(In billions of hryvnias; at current prices)				
Total Industry	210.8	229.6	289.1	400.5
Mining industry	20.5	19.6	22.1	28.8
Extraction of energy carriers	13.6	12.5	13.5	17.1
Extraction of non-energy materials	6.9	7.1	8.6	11.7
Manufacturing industry	138.0	155.4	207.9	306.3
<i>of which:</i>				
Food and agricultural goods processing	34.9	39.2	49.2	63.4
Light industry	3.1	3.2	3.8	4.7
Wood production	1.4	1.7	2.3	3.0
Pulp and paper industry, publication	5.0	5.7	7.2	9.9
Production of coke and refined petroleum products	10.2	15.6	21.4	36.3
Chemicals	12.6	13.3	18.5	24.9
Production of non-metal mineral goods (construction materials, etc.)	5.7	6.2	7.7	10.5
Metallurgy and processing of metals	38.0	41.9	57.9	93.4
Machine building	21.5	24.5	35.1	53.6
Production and distribution of electricity, gas and water	52.3	54.6	59.1	65.4
(Share in total)				
Total Industry	100.0	100.0	100.0	100.0
Mining industry	9.7	8.5	7.7	7.2
Extraction of energy carriers	6.5	5.4	4.7	4.3
Extraction of non-energy materials	3.3	3.1	3.0	2.9
Manufacturing industry	65.5	67.7	71.9	76.5
<i>of which:</i>				
Food and agricultural goods processing	16.6	17.1	17.0	15.9
Light industry	1.4	1.4	1.3	1.2
Wood production	0.7	0.7	0.8	0.7
Pulp and paper industry, publication	2.4	2.5	2.5	2.5
Production of coke and refined petroleum products	4.9	6.8	7.4	9.1
Chemicals	6.0	5.8	6.4	6.2
Production of non-metal mineral goods (construction materials, etc.)	2.7	2.7	2.6	2.6
Metallurgy and processing of metals	18.0	18.2	20.0	23.3
Machine building	10.2	10.7	12.2	13.4
Production and distribution of electricity, gas and water	24.8	23.8	20.4	16.3
(Real percentage change; year-over-year)				
Total Industry	14.2	7.0	15.8	12.5
Mining industry	3.3	2.3	5.5	4.1
Extraction of energy carriers	4.8	-0.8	3.6	1.9
Extraction of non-energy materials	0.2	7.7	9.1	7.6
Manufacturing industry	17.2	8.9	18.2	14.6
<i>of which:</i>				
Food and agricultural goods processing	18.2	8.4	20.0	12.4
Light industry	13.8	0.4	4.0	13.6
Wood production	28.0	23.4	23.6	25.5
Pulp and paper industry, publication	18.2	8.4	25.7	25.9
Production of coke and refined petroleum products	54.3	25.5	8.7	3.4
Chemicals	10.6	6.5	16.8	14.4
Production of non-metal mineral goods (construction materials, etc.)	11.4	5.3	17.9	19.3
Metallurgy and processing of metals	4.9	3.9	14.3	12.0
Machine building	18.8	11.3	35.8	28.0
Production and distribution of electricity, gas and water	2.6	1.1	4.7	-1.1

Source: Ukrainian State Statistics Committee.

Table 5. Ukraine: Gross Investment by Type of Economic Activity, 2001-05

	2001	2002	2003	2004	2005-Q1
(In millions of hryvnias; at current prices)					
Total investment	32,573	37,178	51,011	75,714	12,638
Agriculture, hunting, and forestry	1,617	1,930	2,141	3,381	376
Fishery	20	34	39	38	4
Mining industry	4,234	3,819	4,523	6,345	1,329
Manufacturing industry	7,084	8,433	11,659	16,663	3,226
Production and distribution of electricity, gas, and water	2,333	2,860	3,544	5,183	675
Construction	1,109	1,823	2,502	4,675	509
Wholesale and retail trade, trade of vehicles, maintenance services	1,285	2,019	3,276	5,322	874
Hotels and restaurants	469	446	677	1,074	132
Transport	7,452	7,004	10,230	15,015	2,730
Finance	530	891	977	1,245	285
Real estate operations, renting out, and related business services	4,545	5,549	7,716	11,238	2,003
Public administration	328	449	792	1,156	65
Education	407	581	652	953	80
Health and social protection	474	577	1,053	1,472	156
Collective and individual services	686	763	1,230	1,954	194
(Real percentage change; year-over-year)					
Total investment	20.8	8.9	31.3	28	4.5
Agriculture, hunting, and forestry	53.3	16.6	5.0	39.1	-2.6
Fishery	142.1	60.4	12.0	-12.9	-0.4
Mining industry	7.1	-12.6	11.8	20.8	0.1
Manufacturing industry	18.0	13.8	32.5	26	17.5
Production and distribution of electricity, gas, and water	11.5	16.1	19.2	26.4	-32.3
Construction	-6.8	56.6	29.8	57.6	-19.8
Wholesale and retail trade, trade of vehicles, maintenance services	54.0	51.3	54.8	42.2	73.4
Hotels and restaurants	23.4	-9.8	43.8	32.9	-8.5
Transport	40.5	-10.7	40.5	28	17.7
Finance	-15.3	62.5	2.6	12.3	21.7
Real estate operations, renting out, and related business services	8.8	15.3	33.5	19.1	-3.9
Public administration	-2.2	23.9	72.9	26.3	-27
Education	38.9	30.8	9.4	27.2	-23.9
Health and social protection	16.1	12.0	71.6	22.6	-23.7
Collective and individual services	36.4	4.1	53.3	36.5	-37.6
(Share in total)					
Total investment	100.0	100.0	100.0	100.0	100.0
Agriculture, hunting, and forestry	5.0	5.2	4.2	4.5	3.0
Fishery	0.1	0.1	0.1	0.1	0.0
Mining industry	13.0	10.3	8.9	8.4	10.5
Manufacturing industry	21.7	22.7	22.9	22.0	25.5
Production and distribution of electricity, gas, and water	7.2	7.7	6.9	6.8	5.4
Construction	3.4	4.9	4.9	6.2	4.0
Wholesale and retail trade, trade of vehicles, maintenance services	3.9	5.4	6.4	7.0	6.9
Hotels and restaurants	1.4	1.2	1.3	1.4	1.1
Transport	22.9	18.8	20.1	19.8	21.6
Finance	1.6	2.4	1.9	1.6	2.3
Real estate operations, renting out, and related business services	14.0	14.9	15.1	14.8	15.9
Public administration	1.0	1.2	1.5	1.5	0.5
Education	1.2	1.6	1.3	1.3	0.6
Health and social protection	1.5	1.6	2.1	2.0	1.2
Collective and individual services	2.1	2.0	2.4	2.6	1.5

Source: Ukrainian State Statistics Committee.

Table 6. Ukraine: Retail Turnover in Goods, 2000-04 1/

	2000	2001	2002	2003	2004
(Percentage change relative to the same period of the previous year)					
January	12.1	11.0	18.1	10.4	19.1
February	14.0	4.6	19.2	13.2	23.3
March	8.4	10.8	17.8	13.8	24.3
April	8.4	11.2	20.4	13.4	22.3
May	9.3	12.0	14.8	17.2	19.3
June	4.6	11.8	8.1	22.2	17.4
July	8.3	17.0	12.1	19.6	16.0
August	11.9	12.9	12.3	20.1	16.8
September	5.7	12.1	9.7	25.9	17.0
October	2.9	13.4	11.7	23.3	20.1
November	5.0	12.6	11.9	20.3	21.7
December	3.8	16.0	14.5	24.1	12.8
January	12.1	11.0	18.1	10.4	19.1
January–February	13.0	7.3	18.8	11.7	21.5
January–March	10.9	9.7	19.2	13.2	24.3
January–April	10.1	10.0	19.2	12.9	22.9
January–May	9.8	10.5	18.4	13.9	22.3
January–June	9.1	10.9	16.4	15.3	21.7
January–July	8.8	11.6	15.8	16.9	21.0
January–August	9.1	11.6	15.4	17.2	20.6
January–September	8.5	11.8	14.9	18.2	20.1
January–October	7.8	11.9	15.1	18.8	20.7
January–November	7.3	12.4	14.7	18.9	20.9
January–December	6.9	12.6	14.8	19.4	20.0
Year (finalized data)	8.1	13.7	14.8	20.5	21.9

Source: Ukrainian State Statistics Committee.

1/ Retail trade of all registered enterprises in the state and cooperative sectors.

2/ Compilation of data on services was discontinued in 2000.

Table 7. Ukraine: Barter Operations in Industry, 2001-04  
(In percent of total sales)

	2001			2002			2003			2004			
	Jan-Mar	Jan-Jun	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Total Industry	7.9	4.1	1.9	2.3	2.1	2.0	0.9	1.0	0.9	0.9	1.0	0.9	0.9
Mining industry	11.8	7.5	3.7	5.9	4.3	3.9	1.6	1.4	1.4	1.4	1.4	1.4	1.4
Extraction of energy carriers	14.7	10.0	4.7	6.5	5.3	4.8	2.4	2.0	2.0	2.0	2.0	2.0	2.0
Extraction of non-energy materials	6.3	3.0	2.2	4.7	2.7	2.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5
Manufacturing industry	7.6	3.8	1.8	2.1	2.0	1.9	0.9	1.0	0.9	0.9	1.0	0.9	0.9
<i>of which:</i>													
Food and agricultural goods processing	6.2	3.2	1.7	1.6	1.6	1.6	1.1	1.0	1.0	1.0	1.0	1.0	1.1
Light industry		7.5	3.9	4.4	4.2	4.2	2.3	2.4	2.5	2.5	2.4	2.5	2.7
Wood production	9.7	4.3	1.2	1.7	1.5	1.3	0.6	0.5	0.5	0.5	0.5	0.5	0.7
Pulp and paper industry, publication	2.2	1.1	0.4	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Production of coke and refined petroleum products	5.8	3.0	0.9	2.9	1.8	1.2	0.2	0.2	0.1	0.2	0.2	0.1	0.2
Chemicals	8.6	4.9	2.0	2.4	2.3	2.1	0.9	0.9	0.8	0.9	0.9	0.8	0.7
Production of non-metal mineral goods (construction materials, etc.)	23.1	12.7	5.3	8.9	6.7	5.8	3.5	2.8	2.6	2.8	2.6	0.6	0.6
Metallurgy and processing of metals	3.3	1.7	1.1	0.6	0.8	1.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Machine building	14.5	6.2	3.1	4.2	4.1	3.5	1.8	2.6	2.3	2.6	2.3	1.9	1.9
Production and distribution of electricity, gas and water	6.1	3.3	1.2	1.2	1.3	1.2	0.5	0.6	0.6	0.6	0.6	0.6	0.5

Source: Ukrainian State Statistics Committee.

Table 8. Ukraine: Output of Major Agricultural Products, 2000–04

	2000	2001	2002	2003	2004
	(In thousand tons)				
Crop production					
Grains	24,459	39,706	38,804	20,234	41,809
Potatoes	19,838	17,344	16,619	18,453	20,755
Sugar beets	13,199	15,575	14,452	13,392	16,600
Vegetables	5,821	5,907	5,827	6,538	6,964
Fruits (including berries)	1,966	1,442	1,570	2,202	2,009
Flax	8	12	11	11	16
Animal products					
Meat	1,663	1,517	1,648	1,725	1,595
Milk	12,658	13,444	14,142	13,661	13,787
Eggs 1/	8,809	9,668	11,309	11,477	11,955
Wool	3	3	3	3	3
	(Percentage change from previous year)				
Crop production					
Grains	-0.5	62.3	-2.3	-47.9	106.6
Potatoes	55.9	-12.6	-4.2	11.0	12.5
Sugar beets	-6.2	18.0	-7.2	-7.3	24.0
Vegetables	9.3	1.5	-1.3	12.2	6.5
Fruits (including berries)	83.4	-26.7	8.8	40.3	-8.7
Flax	33.3	50.0	-8.3	0.0	48.1
Animal products					
Meat	-1.9	-8.8	8.6	4.7	-7.5
Milk	-5.3	6.2	5.2	-3.4	0.9
Eggs 1/	0.8	9.8	17.0	1.5	4.2
Wool	-9.6	-3.9	3.9	-1.1	-4.5
	(Index, 1986-1990=100)				
Crop production					
Grains	51.6	83.7	81.8	42.7	88.1
Potatoes	110.4	96.5	92.5	102.7	115.5
Sugar beets	30.1	35.5	33.0	30.5	37.9
Vegetables	78.1	79.3	78.2	87.8	93.5
Fruits (including berries)	58.2	42.7	46.5	65.2	59.5
Flax	7.3	10.9	10.0	10.0	14.7
Animal products					
Meat	38.6	35.2	38.2	40.0	37.0
Milk	52.6	55.9	58.8	56.8	57.3
Eggs 1/	51.2	56.2	65.7	66.7	69.4
Wool	11.4	11.0	11.4	11.3	10.8

Source: State Statistics Committee of Ukraine.

1/ In millions.

Table 9. Ukraine: Agricultural Production, 2000–04

	2000	2001	2002	2003	2004
(In billions of hryvnias; at 2000 prices)					
Total gross agricultural production	55.7	61.4	62.1	55.3	66.3
Crop production	33.6	37.8	37.2	31.9	42.6
<i>Of which:</i>					
Grains	10.9	17.4	16.9	9.1	18.4
Potatoes, Vegetables	14.2	13.1	12.7	14	15.5
Fruits	2.4	1.8	1.9	2.6	2.6
Animal production	22.1	23.6	24.9	23.4	23.7
<i>Of which:</i>					
Livestock for slaughter 1/	10.7	11.4	12	10.7	10.7
Milk	8.4	8.9	9.3	9	9.1
Eggs	2.1	2.3	2.7	2.7	2.9
(In billions of hryvnias; at actual prices)					
Total gross agricultural production	54.3	65.2	65.3	64.8	83.9
Crop production	31.7	37.0	...	...	44.0
Animal production	21.8	27.3	...	...	38.7
Agricultural services	0.8	0.8	...	...	1.2
Material inputs	30.9	36.6	36.7	36.9	47.7
Crop production	16.4	17.8	...	...	...
Animal production	14.1	18.3	...	...	...
Agricultural services	0.4	0.4	...	...	...
Net material product	23.4	28.6	28.6	27.9	36.2
Crop production	15.3	19.2	...	...	...
Animal production	7.7	9.0	...	...	...
Agricultural services	0.4	0.4	...	...	...
(Real percentage changes; year-over-year)					
Total gross agricultural production	9.8	10.2	1.2	-11.0	19.9
Crop production	21.9	12.4	-1.6	-14.2	33.6
Animal production	-4.7	7.0	5.6	-6.2	1.2
Material inputs	8.3	8.9	0.6	-10.8	18.6
Net material product	12.2	10.4	2.0	-11.1	19.7

Source: Ukrainian State Statistics Committee.

1/ Cattle and poultry breeding.

Table 10. Ukraine: Monthly Price Movements, 2000–05  
(In percent)

	Consumer Price Index		Producer Price Index	
	Month over month change 1/	Year over year change 2/	Month over month change 1/	Year over year change 2/
2000				
December	1.6	25.8	2.1	20.6
Average	28.2		20.8	
2001				
December	1.6	6.1	-0.5	0.9
Average	12.0		8.7	
2002				
December	1.4	-0.6	0.0	5.7
Average	0.8		3.0	
2003				
January	1.5	-0.1	0.5	6.6
February	1.1	2.5	0.7	6.6
March	1.1	4.3	2.1	9.6
April	0.7	3.6	0.3	8.6
May	0.0	3.9	0.3	7.3
June	0.1	5.9	0.0	5.1
July	-0.1	7.4	1.0	5.1
August	-1.7	5.8	1.0	6.6
September	0.6	6.2	0.9	7.2
October	1.3	6.9	0.7	7.8
November	1.9	8.1	1.5	9.2
December	1.5	8.2	1.7	11.1
Average	5.2		7.6	
2004				
January	1.4	8.1	1.6	12.3
February	0.4	7.4	2.9	14.9
March	0.4	6.6	2.2	15.0
April	0.7	6.6	3.3	18.5
May	0.7	7.4	2.1	20.6
June	0.7	8.0	1.5	22.4
July	0.0	8.1	0.1	21.2
August	-0.1	9.9	1.6	21.9
September	1.3	10.7	1.9	23.3
October	2.2	11.7	1.6	24.4
November	1.6	11.3	2.2	25.2
December	2.4	12.3	1.0	24.3
Average	9.0		20.5	
2005				
January	1.7	12.6	0.2	22.5
February	1.0	13.3	2.7	22.2
March	1.6	14.7	1.9	21.9
April	0.7	14.7	2.5	21.0
May	0.6	14.6	1.6	20.4
June	0.6	14.4	-0.8	17.6
July	0.3	14.8	-1.6	15.7
August	0.0	14.9	0.7	14.7

Sources: Ukrainian State Statistics Committee; and Fund staff estimates.

1/ Average annual data represent the average monthly change.

2/ Calculated from the monthly rates of change.

Table 11. Ukraine: Components of the Consumer Price Index, 2000–05

(Monthly rates of change)

	Overall Index	Food	Nonfood	Services
2000				
December	1.6	2.3	0.2	0.3
Change over 12 months	25.8	28.4	8.9	31.2
2001				
December	1.6	2.5	-0.3	0.1
Change over 12 months	6.1	7.9	0.2	5.3
2002				
December	1.4	2.2	0.0	0.1
Change over 12 months	-0.6	-2.3	1.6	3.4
2003				
January	1.5	2.0	0.1	0.8
February	1.1	1.5	0.0	0.4
March	1.1	1.6	0.0	0.2
April	0.7	1.1	0.0	-0.1
May	0	0	0.0	0.1
June	0.1	0.1	0.0	0.4
July	-0.1	-0.2	0.1	0.2
August	-1.7	-2.8	0.0	0.4
September	0.6	0.6	0.5	0.6
October	1.3	1.6	0.3	1.2
November	1.9	2.8	0.2	0.6
December	1.5	2.2	0.2	0.5
Change over 12 months	8.2	10.9	1.5	5.4
2004				
January	1.4	1.4	0.3	2.3
February	0.4	0.5	0.1	0.3
March	0.4	0.5	0.3	0.4
April	0.7	1.4	0.2	-0.9
May	0.7	0.6	1.4	0.2
June	0.7	0.9	0.6	0.4
July	0.0	-0.2	0.0	0.6
August	-0.1	-0.4	0.3	0.3
September	1.3	1.6	0.5	0.8
October	2.2	3.0	0.4	0.8
November	1.6	1.8	0.4	1.7
December	2.4	3.3	0.8	0.8
Change over 12 months	12.3	15.3	5.4	7.9
2005				
January	1.7	2.3	0.2	1.0
February	1.0	1.3	0.2	0.5
March	1.6	2.2	0.2	0.5
April	0.7	1.0	1.1	-0.2
May	0.6	0.7	0.2	0.8
June	0.6	0.5	0.2	1.3
July	0.3	0.1	0.1	1.2
August	0.0	-0.6	0.7	1.7

Sources: Ukrainian State Statistics Committee; and Fund staff estimates.

Table 12. Ukraine: Population, Labor Force, and Employment, 2000–04  
(In thousands of persons)

	2000	2001	2002	2003	2004
Population 1/	48,664	48,241 3/	47,787	47,442	47,100
Outside active age	20,647	20,256 3/	19,653	19,214	18,877
Active age	28,016	27,985 3/	28,135	28,228	28,223
Total employment 2/	21,016	21,379	21,449	20,163	20,296
State sector	34.2	33.4	31.1	34.3	32.7
Collective and cooperative sector	32.0	...	...		
Private sector	23.0	64.1	65	65.7	67.3

Source: Ukrainian State Statistics Committee.

1/ Beginning of period.

2/ Annually-reported information (average).

3/ As per All-Ukrainian Census data as December 5, 2002.

Table 13. Ukraine: Average Employment by Type of Economic Activity, 2000–04  
(In millions of persons)

	2000	2001	2002	2003	2004
Total 1/	21.3	20.0	20.1	20.2	20.3
Hired workers of enterprises, institutions and organizations	15.8	15.3	14.8	14.3	14.0
Industry	4.1	4.3	4.1	3.9	3.9
Agriculture, hunting, and forestry 2/	2.7	2.4	2.1	1.8	1.6
Construction	0.9	0.7	0.7	0.7	0.7
Transportation and communications	1.2	1.1	1.1	1.1	1.1
Trade and material services 3/	1.3	1.2	1.2	1.2	1.2
Communal and other consumer services	0.7	0.7	0.5	0.5	...
Health and social services	1.4	1.4	1.3	1.3	1.3
Education, culture, arts and science	2.2	1.6	1.6	1.6	1.6
Finance, credit and insurance	0.2	0.2	0.2	0.2	0.2
Public administration	0.8	1.1	1.2	1.2	1.0
Other	0.3	0.4	0.8	0.7	...
Other employed in economic activity	5.5	4.7	5.3	5.9	6.3
o/w: Employment in personal farms	2.2	2.6	2.9	2.8	...

Source: Ukrainian State Statistics Committee.

1/ Annual average.

2/ Excluding employment in private farms and personal farms.

3/ Including public catering, technical procurement, sales, and storage.

Table 14. Ukraine: Unemployment and Vacancies, 2000–05  
(In thousands of persons; end of period)

	Registered Unemployed	Recipients of Unemployment Benefits	Reported Vacancies	Unemployment Rate 1/	Unemployment Rate 2/
2000					
December	1,155.2	627.3	68.2	12.2	4.2
2001					
December	1,008.1	625.1	96.9	11.2	3.7
2002					
December	1,034.2	689.7	123.9	11.1	3.8
2003					
January	1,061.0	704.7	130.5		3.9
February	1,100.9	715.0	131.3		4.0
March	1,109.4	710.0	141.0	9.4	4.0
April	1,107.3	700.7	143.5		4.0
May	1,057.8	690.0	166.1		3.9
June	1,012.7	673.0	155.9	8.8	3.7
July	996.1	676.9	160.3		3.6
August	982.8	667.4	160.2		3.6
September	961.8	652.5	165.2	9.2	3.5
October	938.6	637.8	161.7		3.4
November	949.9	645.9	144.7		3.5
December	988.9	684.3	138.8	9.0	3.6
2004					
January	1,003.6	698.5	142.1		3.7
February	1,045.4	710.3	141.2		3.8
March	1,061.2	705.6	163.4	8.6	3.9
April	1,044.6	683.1	170.0		3.8
May	1,005.8	666.3	171.8		3.7
June	962.5	637.8	177.5	8.3	3.4
July	945.0	632.4	182.7		3.4
August	925.6	621.1	187.0		3.3
September	914.0	612.8	195.1	8.1	3.2
October	893.6	595.2	190.4		3.2
November	919.7	621.1	175.7		3.3
December	981.8	680.0	166.5	8.7	3.5
2005					
January	992.1	681.1	170.2		3.5
February	1,019.0	680.0	167.1		3.6
March	1,018.4	667.4	188.9	8.7	3.6
April	986.7	639.0	197.5		3.5
May	918.3	607.4	207.2		3.3
June	858.3	574.6	205.7	7.0	3.0
July	825.4	563.6	210.4		2.9
August	800.4	555.6	210.6		2.8

Source: Ukrainian State Statistics Committee.

1/ International Labor Organization definition.

2/ In percent of working age population, excluding disabled persons.

Table 15. Ukraine: Wages and Prices, 2000–05

	Average Wages		Consumer Price Index	Real Wage	
	(In hryvnias per month)	(Monthly percent change)	(Monthly percent change)	(Index, 1991=1)	(Monthly percent change)
2000					
December	296.3	15.0	1.6	0.3	12.2
2001					
December	378.5	13.2	1.6	0.3	11.2
2002					
December	442.9	11.9	1.4	0.3	9.7
2003					
January	400.6	-9.6	1.5	0.3	-10.2
February	391.2	-2.3	1.1	0.3	-3.4
March	415.5	6.2	1.1	0.3	4.3
April	422.6	1.7	0.7	0.3	1.0
May	439.3	3.9	0.0	0.3	3.9
June	476.2	8.4	0.1	0.3	8.6
July	489.5	2.8	-0.1	0.4	2.6
August	479.2	-2.1	-1.7	0.3	-0.4
September	498.3	4.0	0.6	0.4	2.9
October	498.3	0.0	1.3	0.4	-1.4
November	489.5	-1.8	1.9	0.3	-3.6
December	550.9	12.5	1.5	0.4	10.6
2004					
January	499.7	-9.3	1.4	0.4	-3.9
February	510.1	2.1	0.4	0.4	1.6
March	545.1	6.9	0.4	0.4	5.9
April	547.9	0.5	0.7	0.4	-0.2
May	555.0	1.3	0.7	0.4	0.3
June	601.5	8.4	0.7	0.4	7.6
July	608.0	1.1	0.0	0.4	1.1
August	604.2	-0.6	-0.1	0.4	0.5
September	630.8	4.4	1.3	0.4	2.9
October	636.2	0.9	2.2	0.4	-1.4
November	644.3	1.3	1.6	0.4	-0.4
December	703.8	9.2	2.4	0.5	6.7
2005					
January	640.9	-8.9	1.7	0.4	-9.7
February	666.8	4.0	1.0	0.4	3.0
March	722.0	8.3	1.6	0.4	6.5
April	733.7	1.6	0.7	0.5	0.8
May	764.3	4.2	0.6	0.5	3.5
June	823.1	7.7	0.6	0.5	7.1
July	837.5	1.7	0.3	0.5	1.5
August	831.1	-0.8	0.0	0.5	-0.8

Source: Ukrainian State Statistics Committee.

Table 16. Ukraine: Average Wage by Type of Economic Activity, 2000-04  
(In hryvnias per month)

	2000	2001	2002	2003	2004
Total	230.1	311.1	376.4	462.3	589.6
Agriculture, hunting, and forestry	113.9	154.4	182.9	219.2	311.0
Fishery	145.4	203.6	241.6	290.6	374.7
Industry	302.4	405.8	485.0	591.2	743.4
Mining industry	393.9	516.7	609.9	701.3	910.0
Manufacturing industry	270.7	368.3	441.3	552.9	700.6
Production and distribution of electricity, gas and water	404.0	475.9	562.1	651.3	766.9
Construction	260.0	362.3	427.5	546.3	708.7
Wholesale and retail trade	225.5	283.5	330.4	393.7	508.7
Hotels and Restaurants	177.6	234.8	286.1	339.6	429.4
Transport	335.3	459.9	572.5	685.0	843.1
Finance	559.3	833.0	976.1	1,051.2	1,258.0
Real estate operations, renting out and related business services	277.0	372.7	437.1	526.8	666.8
Public administration	336.5	396.3	495.0	576.9	691.0
Education	156.5	224.1	267.4	340.5	429.5
Health and social protection	138.7	182.7	223.5	279.0	351.2
Collective and individual services	162.7	210.2	246.5	298.7	399.6

Source: Ukrainian State Statistics Committee.

Table 17. Ukraine: Retail Trade and Catering Enterprises, 2000–04  
(Number of enterprises; end of period)

	Retail trade as of:				Catering as of:					
	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004
Collective property	78,810	72,564	67,266	62,712	...	22,821	21,428	19,986	18,629	...
<i>Of which:</i>										
State property	12,656	11,917	10,680	9,780	8,801	7,116	6,982	6,801	6,437	6,702
Central government property	4,496	3,999	3,378	2,767	2,272	3,933	3,942	3,561	3,497	3,846
Communal property	8,160	7,918	7,302	7,013	6,529	3,183	3,040	3,240	2,940	2,856
Private property of Ukrainian residents	11,618	11,701	11,173	11,251	69,762	3,104	3,454	3,664	3,711	21,163
Foreign-owned property	162	211	198	106	...	91	110	117	112	...
Total	103,246	96,393	89,317	83,849	78,563	33,132	31,974	30,568	28,889	27,865

Source: Ukrainian State Statistics Committee.

Table 18. Ukraine: Ownership Structure in Agriculture, 2000–04  
(End of period)

	Number of farms/plots	Area			Annual Average Number of Workers	
		Hectares per farm/plot	Thousands of hectares	Shares (In percent)	Thousands	Shares (In percent)
<b>2000</b>						
Nonstate agricultural enterprises	18,422	1,394	25,688	66.9	1,922	44.0
State farms	3,351	551	1,848	4.8	142	3.3
Interfarm enterprises	42,225	55	2,342	6.1	72 2/	1.6
Private (except farm enterprises) 1/	15,887,299	0.54	8,543	22.2	2,233	51.1
Total	15,951,297	2.4	38,421	100.0	4,369	100.0
<b>2001</b>						
Nonstate agricultural enterprises	18,825	1,274.0	23,992	62.9	1,592	35.9
State farms	3,030	550.0	1,668	4.4	123	2.8
Interfarm enterprises	45,371	61.0	2,754	7.2	140 2/	3.2
Private (except farm enterprises) 1/	16,141,633	0.6	9,736	25.5	2,578	58.1
Total	16,208,859	2.4	38,150	100.0	4,433	100.0
<b>2002</b>						
Nonstate agricultural enterprises	19,043	1,181.0	22,497	59.4	1,326	29.3
State farms	2,930	519.0	1,520	4.0	122	2.7
Interfarm enterprises	46,298	63.0	2,921	7.7	141 2/	3.1
Private (except farm enterprises) 1/	16,264,888	0.7	10,939	28.9	2,934	64.9
Total	16,333,159	2.3	37,877	100.0	4,523	100.0
<b>2003</b>						
Nonstate agricultural enterprises	19,197	1,055	20,251	53.8	1,058	25.9
State farms	2,625	543	1,425	3.8	105	2.6
Interfarm enterprises	46,343	68	3,163	8.4	131 2/	3.2
Private (except farm enterprises) 1/	16,390,764	0.78	12,799	34.0	2,785	68.3
Total	16,458,929	2.29	37,638	100.0	4,078	100.0
<b>2004</b>						
Nonstate agricultural enterprises	18,906	994	18,797	50.4	...	...
State farms	2,480	520	1,289	3.4	...	...
Interfarm enterprises	46,387	74	3,417	9.2	130 2/	...
Private (except farm enterprises) 1/	16,456,666	0.84	13,819	37.0	...	...
Total	16,524,439	2.26	37,322	100.0	...	...

Source: Ukrainian State Statistics Committee.

1/ Annual average.

2/ Calculations based on random sampling observation.

Table 19. Ukraine: Production of Major Energy Products, 2000–04

	2000	2001	2002	2003	Domestic Consumption 1/			Production (In percent of domestic consumption)					
					2000	2001	2002	2003	2000	2001	2002	2003	2004
Crude petroleum (In millions of tons including gas condensate)	3.7	3.7	3.7	4.0	9.4	16.9	21.0	28.5	39.4	21.9	17.6	17.5	18.8
Natural gas (In billions of cubic meters)	17.2	17.6	17.9	18.4	68.4	65.8	65.5	24.3	25.1	26.9	27.3	25.5	27.1
Coal (In million of tons)	62.4	61.7	62.0	64.2	63.3	64.2	62.9	97.9	98.6	96.1	98.6	96.0	90.4
Electricity (In billions of kilowatts)	171.4	173.0	173.7	180.4	136.4	135.8	...	121.6	125.7	127.3	...	...	...
					(Percent change; year-over-year)								
Crude petroleum	97.2	100.3	100.8	106.3	70.7	180.0	120.0	109.0	...	...	...	...	...
Natural gas	99.5	102.4	101.4	102.9	95.7	96.2	99.5	110.2	...	...	...	...	...
Coal	99.3	98.8	100.4	103.7	100.5	101.4	98.0	106.4	...	...	...	...	...
Electricity	99.6	100.9	100.4	103.8	98.5	99.6	...	...	...	...	...	...	...

Source: Ukrainian State Statistics Committee.

1/ Consumption by Ukrainian enterprises and organizations on production-communal needs reported by consumers of energy products.

Table 20. Ukraine: Overdue Payables by Enterprises, 2001-05

	2001	2002	2003	2004				2005	
	% of GDP	% of GDP	% of GDP	Mar	Jun	Sep	Dec	% of GDP	
Total 1/	54.1	51.4	39.6	97,909	97,349	88,392	87,272	25.2	88,644
Agriculture, hunting, and forestry	3.2	2.5	1.8	3,989	4,056	3,889	3,532	1.0	3,214
Fishery	0.1	0.1	0.0	67	62	60	52	0.0	56
Industry	41.3	31.4	26.2	66,916	67,518	67,384	66,357	19.2	68,935
<i>of which:</i>									
Mining industry	13.6	4.9	4.3	11,689	10,981	10,455	10,855	3.1	11,609
Manufacturing industry	7.4	6.9	4.9	12,580	12,300	12,828	12,655	3.7	13,002
Production and distribution of electricity, gas and water	20.3	19.6	17.0	42,648	44,237	44,101	42,848	12.4	44,325
Construction	1.0	0.9	0.7	1,920	1,740	1,819	1,771	0.5	1,314
Wholesale and retail trade; repair services	4.8	4.3	2.3	2,385	2,019	2,044	1,676	0.5	1,757
Transport	1.6	1.1	0.9	2,144	2,184	2,262	2,276	0.7	2,305
Finance	0.2	0.2	0.2	407	375	373	375	0.1	242
Real estate operations, renting out and related business services	1.7	10.8	7.5	19,813	19,111	10,312	10,987	3.2	10,589
Other	0.2	0.1	0.1	268	285	250	246	0.1	231
Arrears between Ukrainian enterprises and institutions	47.7	45.0	35.8	87,143	86,635	85,753	84,575	24.4	86,627
Agriculture, hunting, and forestry	3.2	2.5	1.8	3,980	4,048	3,881	3,516	1.0	3,178
Fishery	0.0	0.0	0.0	59	53	51	42	0.0	46
Industry	36.2	30.8	25.6	65,426	65,975	66,050	65,048	18.8	67,342
<i>of which:</i>									
Mining industry	9.4	4.8	4.3	11,569	10,866	10,375	10,765	3.1	11,521
Manufacturing industry	6.8	6.5	4.6	11,698	11,450	12,002	11,751	3.4	11,860
Production and distribution of electricity, gas and water	20.0	19.5	16.8	42,159	43,659	43,674	42,532	12.3	43,961
Construction	1.0	0.9	0.7	1,914	1,736	1,811	1,765	0.5	1,310
Wholesale and retail trade; repair services	4.2	3.7	2.2	2,162	1,822	1,861	1,495	0.4	1,596
Transport	1.5	1.0	0.8	2,047	2,086	2,160	2,157	0.6	2,183
Finance	0.2	0.2	0.2	407	375	371	373	0.1	240
Real estate operations, renting out and related business services	1.2	5.7	4.4	10,884	10,257	9,319	9,933	2.9	10,502
Other	0.2	0.1	0.1	265	283	249	245	0.1	229
Tax Arrears	3.9	5.7	4.7	12,173	11,131	10,927	11,206	3.2	11,977
Agriculture, hunting, and forestry	0.4	0.4	0.3	637	610	575	533	0.2	469
Fishery	0.0	0.0	0.0	5	5	5	4	0.0	5
Industry	3.3	2.3	2.1	5,639	5,000	4,838	5,075	1.5	5,206
<i>of which:</i>									
Mining industry	2.0	0.9	0.9	2,536	1,951	1,798	2,152	0.6	2,156
Manufacturing industry	0.4	0.4	0.3	776	744	742	678	0.2	672
Production and distribution of electricity, gas and water	0.8	1.0	0.8	2,327	2,305	2,298	2,245	0.6	2,378
Construction	0.1	0.1	0.1	155	145	141	133	0.0	121
Wholesale and retail trade; repair services	0.0	0.0	0.0	40	35	28	26	0.0	29
Transport	0.1	0.1	0.0	80	79	77	77	0.0	80
Finance	0.0	0.0	0.0	1	0	0	0	0.0	0
Real estate operations, renting out and related business services	0.1	2.9	2.2	5,586	5,227	5,236	5,325	1.5	6,033
Other	0.0	0.0	0.0	31	30	29	34	0.0	34
Wages and labor payments	1.1	0.9	0.6	1,618	1,433	886	688	0.2	773
Agriculture, hunting, and forestry	0.2	0.2	0.1	231	210	110	126	0.0	163
Fishery	0.0	0.0	0.0	15	14	12	6	0.0	5
Industry	0.6	0.5	0.4	1,071	943	553	393	0.1	418
<i>of which:</i>									
Mining industry	0.3	0.3	0.2	604	543	238	139	0.0	174
Manufacturing industry	0.3	0.3	0.2	433	370	289	240	0.1	229
Production and distribution of electricity, gas and water	0.0	0.0	0.0	35	31	26	14	0.0	16
Construction	0.1	0.1	0.0	124	102	83	61	0.0	67
Wholesale and retail trade; repair services	0.0	0.0	0.0	22	20	15	14	0.0	13
Transport	0.1	0.0	0.0	64	60	46	36	0.0	47
Finance	0.0	0.0	0.0	0	1	1	1	0.0	1
Real estate operations, renting out and related business services	0.1	0.0	0.0	72	68	54	40	0.0	48
Other	0.0	0.0	0.0	19	17	13	11	0.0	11

Source: Ukrainian State Statistics Committee.

1/ Amounts of overdue accounts payable exclude small enterprises and budgetary institutions.

Table 21. Ukraine: Consolidated Budget, 2002-04

	2002	2003	2004
	(In millions of hryvnias)		
Revenue and grants 1/	80,759	96,809	121,285
Tax revenue	63,700	75,935	92,657
Taxes on income and profits	20,995	27,759	30,539
Payroll taxes	18,128	21,348	29,208
<i>o/w</i> : Pension Fund	14,337	17,003	23,628
Property taxes	1,479	1,545	1,544
Domestic taxes on goods and services	20,099	20,748	25,444
Taxes on international trade	2,881	4,463	5,892
Other taxes	118	71	29
Other revenues 2/	16,616	20,241	27,794
Nontax, capital revenue	148	416	406
Grants	296	217	428
Expenditure 3/ 4/	80,564	98,009	134,637
General public services	7,823	9,163	10,992
<i>o/w</i> : Interest payments	2,821	2,543	3,147
Defense	2,886	3,445	4,970
Public order and safety affairs	4,822	5,571	7,500
Energy, agriculture, and industry	8,859	14,119	21,203
Environmental protection	387	578	869
Housing and community services	1,876	2,112	3,006
Health affairs and services	7,247	9,382	11,577
Recreational, cultural, religious affairs	1,369	1,989	2,605
Education affairs and services	10,326	12,390	14,969
Social protection	34,969	39,259	56,946
<i>o/w</i> : Pension Fund	20,259	22,495	33,251
Overall cash balance	1,161	-2,413	-15,208
Statistical discrepancy 5/	-1,487	1,228	2,147
Financing	-1,682	2,428	15,499
Net external	-2,071	2,618	5,259
Net domestic	-693	-3,091	-329
Privatization receipts	1,082	2,901	10,569
	(In percent of GDP)		
Revenue and grants	35.8	36.2	35.1
Expenditure	35.7	36.7	38.9
Overall cash balance	0.5	-0.9	-4.4
<i>Memorandum item:</i>			
Nominal GDP (In millions of hryvnias)	225,810	267,344	345,943

Sources: Ministry of Finance; and Fund staff

1/ Uses the authorities' revenue classification except for (i) adjustments for revenue consolidation (net of payroll taxes paid by budget institutions to social funds); (ii) Black Sea Fleet payments; and (iii) local government privatization which is treated as a financing item.

2/ Residual item.

3/ Excludes net lending.

4/ Adjusted for payroll payments.

5/ Partly due to unrecorded expenditures; and treatment of net lending.

Table 22. Ukraine: Consolidated Budgetary Revenues 2002–04

	2002	2003	2004
	(In millions of hryvnias)		
Revenue and grants 1/	80,759	96,809	121,285
Tax revenue	65,211	77,779	95,252
Taxes on income and profits	20,995	27,759	30,539
o/w: Natural persons	11,108	13,909	13,677
Legal persons	9,761	13,742	16,748
Social security taxes	19,639	23,192	31,803
Pension Fund	14,337	17,003	23,628
Social Insurance Fund	1,601	1,919	2,452
Accident Fund	804	956	1,258
Employment Fund	1,189	1,317	1,705
Other	1,708	1,997	2,760
Property taxes	1,479	1,545	1,544
Land tax on legal persons	1,404	1,464	1,454
Land tax on natural persons	75	81	91
Taxes on domestic goods and services	20,099	20,748	25,444
VAT	13,471	12,598	14,808
Excises	4,098	5,246	6,704
On domestic goods	3,605	4,659	6,092
On imported goods	493	587	613
Taxes on use of goods or to perform activities	1,859	2,129	2,809
Motor vehicle tax	587	600	659
o/w: Environmental pollution fee	189	269	319
Other taxes on goods and services	670	776	1,123
o/w: Water usage fee	263	257	321
Geological fee	252	350	426
Taxes on international trade and transactions	2,881	4,463	5,892
Import duty	2,144	2,992	4,015
Export duty	8	364	692
Other	729	1,106	1,185
Other taxes	118	71	29
Nontax revenue	13,976	16,798	22,555
Entrepreneurial and property income	4,495	5,698	7,190
o/w: Dividends	740	247	347
NBU profit	235	639	1,300
Royalties	2,783	3,501	4,230
o/w: Gas transit fee	1,531	2,009	2,303
Oil transit fee	174	210	197
Ammoniak transit fee	17	17	19
Sale of goods and services	7,958	8,255	12,829
o/w: Administrative fees and charges	379	437	501
Own revenues of budgetary institutions	7,341	6,633	10,888
Fines and forfeits	413	486	583
o/w: Invalids Fund	123	135	145
Voluntary transfers other than grants	428	1,068	798
Other nontax revenue	681	1,290	1,154
o/w: Arms sales and lease of military capital assets	303	664	442
Capital revenue	627	1,127	1,473
o/w: State Reserve Fund	413	680	726
Grants	296	217	428
Statistical discrepancy	650	888	1,577

Sources: Ministry of Finance; and Fund staff estimates.

1/ Uses the authorities' revenue classification except for (i) adjustments for revenue consolidation (net of payroll taxes paid by budget institutions to social funds); (ii) Black Sea Fleet payments; and (iii) local government privatization which is treated as a financing item.

Table 22 (cont'd). Ukraine: Consolidated Budgetary Revenues 2002–04

	2002	2003	2004
	(In percent of GDP)		
Revenue and grants 1/	35.8	36.2	35.1
Tax revenue	28.9	29.1	27.5
Taxes on income and profits	9.3	10.4	8.8
o/w: Natural persons	4.9	5.2	4.0
Legal persons	4.3	5.1	4.8
Social security taxes	8.7	8.7	9.2
Pension Fund	6.3	6.4	6.8
Social Insurance Fund	0.7	0.7	0.7
Accident Fund	0.4	0.4	0.4
Employment Fund	0.5	0.5	0.5
Other	0.8	0.7	0.8
Property taxes	0.7	0.6	0.4
Land tax on legal persons	0.6	0.5	0.4
Land tax on natural persons	0.0	0.0	0.0
Taxes on domestic goods and services	8.9	7.8	7.4
VAT	6.0	4.7	4.3
Excises	1.8	2.0	1.9
On domestic goods	1.6	1.7	1.8
On imported goods	0.2	0.2	0.2
Taxes on use of goods or to perform activities	0.8	0.8	0.8
Motor vehicle tax	0.3	0.2	0.2
o/w: Environmental pollution fee	0.1	0.1	0.1
Other taxes on goods and services	0.3	0.3	0.3
o/w: Water usage fee	0.1	0.1	0.1
Geological fee	0.1	0.1	0.1
o/w: Natural resources fee	0.0	0.0	0.1
Taxes on international trade and transactions	1.3	1.7	1.7
Import duty	0.9	1.1	1.2
Export duty	0.0	0.1	0.2
Other	0.3	0.4	0.3
Other taxes	0.1	0.0	0.0
Nontax revenue	6.2	6.3	6.5
Entrepreneurial and property income	2.0	2.1	2.1
o/w: Dividends	0.3	0.1	0.1
NBU profit	0.1	0.2	0.4
Royalties	1.2	1.3	1.2
o/w: Gas transit fee	0.7	0.8	0.7
Oil transit fee	0.1	0.1	0.1
Ammoniak transit fee	0.0	0.0	0.0
Sale of goods and services	3.5	3.1	3.7
o/w: Administrative fees and charges	0.2	0.2	0.1
Own revenues of budgetary institutions	3.3	2.5	3.1
Fines and forfeits	0.2	0.2	0.2
o/w: Invalids Fund	0.1	0.1	0.0
Voluntary transfers other than grants	0.2	0.4	0.2
Other nontax revenue	0.3	0.5	0.3
o/w: Arms sales and lease of military capital assets	0.1	0.2	0.1
Capital revenue	0.3	0.4	0.4
o/w: State Reserve Fund	0.2	0.3	0.2
Grants	0.1	0.1	0.1
Statistical discrepancy	0.3	0.3	0.5
<i>Memorandum item:</i>			
Nominal GDP (In millions of hryvnias)	225,810	267,344	345,943

Sources: Ministry of Finance; and Fund staff estimates.

1/ Uses the authorities' revenue classification except for (i) adjustments for revenue consolidation (net of payroll taxes paid by budget institutions to social funds); (ii) Black Sea Fleet payments; and (iii) local government privatization which is treated as a financing item.

Table 23. Ukraine: Consolidated Budgetary Expenditures 2002–04

	2002	2003	2004
	(In millions of hryvnias)		
Total expenditure 1/ 2/	80,564	98,009	134,637
General public services 2/	7,823	9,163	10,992
o/w: Executive and legislative organs, fiscal and international affairs	4,176	5,227	6,383
Fundamental research	514	605	784
Interest payments	2,821	2,543	3,147
Domestic	2,124	2,242	2,133
Foreign	696	302	1,015
Defense	2,886	3,445	4,970
Public order and safety	4,822	5,571	7,500
Law courts	506	703	980
Law enforcement	4,316	4,867	6,520
Economic services	8,859	14,119	21,203
Fuel and energy	2,433	3,583	4,820
o/w: Coal mines	2,148	2,655	3,680
Agriculture, forestry, fishing, and hunting	1,415	2,756	3,018
Other industry and construction	283	334	970
Mineral resources extraction	255	268	331
Processing industry	21	57	42
Construction	7	9	597
Transportation	2,171	3,144	7,185
Road transport	1,704	2,608	6,225
Air transport	17	13	22
Water transport	53	69	80
Communication	33	44	57
Other economic services	2,525	4,259	5,154
Environment Protection	387	578	869
Housing and community services	1,876	2,112	3,006
Housing	981	991	1,292
Community services	842	1,080	1,611
Other industry and construction	53	42	102
Health affairs and services	7,247	9,382	11,577
Recreational, cultural, religious affairs	1,369	1,989	2,605
Education affairs and services	10,326	12,390	14,969
Social protection	34,969	39,259	56,946
o/w: Pension Fund 4/	20,259	22,495	33,251
Social Insurance Fund	1,606	2,062	2,720
Accident Fund	861	1,084	1,265
Employment Fund	1,002	1,213	1,570

Sources: Ministry of Finance; and Fund staff estimates.

1/ Adjusted for payroll contributions remitted to social funds by budgetary institutions.

2/ Excludes net lending.

3/ subitems may not necessarily add up as data does not allow to adjust them according to payroll taxes paid

4/ Net of transfers from the state budget (which are accounted in social protection item).

Table 23 (cont'd). Ukraine: Consolidated Budgetary Expenditures 2002–04

	2002	2003	2004
	(In percent of GDP)		
Total expenditure 1/ 2/	35.7	36.7	38.9
General public services 2/	3.5	3.4	3.2
o/w: Executive and legislative organs, fiscal and international affairs	1.8	2.0	1.8
Fundamental research	0.2	0.2	0.2
Interest payments	1.2	1.0	0.9
Domestic	0.9	0.8	0.6
Foreign	0.3	0.1	0.3
Defense	1.3	1.3	1.4
Public order and safety	2.1	2.1	2.2
Law courts	0.2	0.3	0.3
Law enforcement	1.9	1.8	1.9
Economic services	3.9	5.3	6.1
Fuel and energy	1.1	1.3	1.4
o/w: Coal mines	1.0	1.0	1.1
Agriculture, forestry, fishing, and hunting	0.6	1.0	0.9
Other industry and construction	0.1	0.1	0.3
Mineral resources extraction	0.1	0.1	0.1
Processing industry	0.0	0.0	0.0
Construction	0.0	0.0	0.2
Transportation	1.0	1.2	2.1
Road transport	0.8	1.0	1.8
Air transport	0.0	0.0	0.0
Water transport	0.0	0.0	0.0
Communication	0.0	0.0	0.0
Other economic services	1.1	1.6	1.5
Environment Protection	0.2	0.2	0.3
Housing and community services	0.8	0.8	0.9
Housing	0.4	0.4	0.4
Community services	0.4	0.4	0.5
Other industry and construction	0.0	0.0	0.0
Health affairs and services	3.2	3.5	3.3
Recreational, cultural, religious affairs	0.6	0.7	0.8
Education affairs and services	4.6	4.6	4.3
Social protection	15.5	14.7	16.5
o/w: Pension Fund 3/	9.0	8.4	9.6
Social Insurance Fund	0.7	0.8	0.8
Accident Fund	0.4	0.4	0.4
Employment Fund	0.4	0.5	0.5
<i>Memorandum item:</i>			
Nominal GDP (In millions of hryvnias)	225,810	267,344	345,943

Sources: Ministry of Finance; and Fund staff estimates.

1/ Adjusted for payroll contributions remitted to social funds by budgetary institutions.

2/ Excludes net lending.

3/ Net of transfers from the state budget (which are accounted in social protection item).

Table 24. Ukraine: Central Government Budget, 2002-04

	2002	2003	2004
	(In millions of hryvnias)		
Revenue and grants 1/	44,947	54,557	69,818
Tax revenue	31,089	38,348	48,411
Taxes on income, profit	8,162	13,087	16,660
Social security taxes	1,562	1,854	2,610
Property taxes	0	0	0
Domestic taxes on goods and services	18,368	18,876	23,220
Taxes on international trade and transactions	2,881	4,463	5,892
Other taxes	117	68	29
Nontax revenue	10,139	12,820	18,545
Capital revenue	484	807	851
Grants	3,235	2,581	2,011
From international organizations	292	213	418
From local budgets	2,943	2,369	1,593
Expenditure 2/	44,469	55,757	79,472
General public services	6,829	7,847	9,457
o/w: Interest payments	2,750	2,520	3,054
Defense	2,997	3,562	5,111
Public order and safety affairs	4,660	5,685	7,708
Energy, agriculture, and manufacturing	6,572	10,235	15,347
Environmental protection	233	361	534
Housing and community services	593	479	639
Health affairs and services	2,060	2,944	4,106
Recreational, cultural, religious affairs	434	659	1,029
Education affairs and services	5,314	5,998	7,493
Social protection	5,958	6,258	11,228
Transfers to local budgets	8,818	11,729	16,819
Overall cash balance	-1,119	723	11,835
Statistical discrepancy 3/	-641	-477	2,181
Financing	-1,119	723	11,835
Net external	-1,550	1,298	4,196
Net domestic	-166	-2,591	-1,863
Privatization receipts	597	2,016	9,502
	(In percent of GDP)		
Revenue and grants	19.9	20.4	20.2
Expenditure	19.7	20.9	23.0
Overall cash balance	-0.5	0.3	3.4
<i>Memorandum item:</i>			
Nominal GDP (In millions of hryvnias)	225,810	267,344	345,943

Sources: Ministry of Finance; and Fund staff estimates.

1/ Uses the authorities' revenue classification except for Black Sea payments.

2/ Excludes net lending.

3/ Partly due to unrecorded expenditures; and treatment of net lending.

Table 25. Ukraine: Local Government Budget, 2002–04 1/

	2002	2003	2004
	(In millions of hryvnias)		
Revenue and grants 1/	27,768	33,596	38,537
Tax revenue	16,191	18,235	17,798
Taxes on income, profit	12,833	14,672	13,879
Social security taxes	146	143	150
Property taxes	1,479	1,545	1,544
Domestic taxes on goods and services	1,731	1,872	2,223
Taxes on international trade and transactions	0	0	0
Other taxes	2	3	0
Nontax revenue	2,617	3,311	3,297
Capital revenue	142	320	623
Grants	8,818	11,729	16,819
From local budgets	8,818	11,729	16,819
Expenditure 2/	27,781	33,771	40,357
General public services	1,700	2,166	2,659
o/w: Interest payments	70	23	93
Defense	0	0	0
Public order and safety affairs	364	139	148
Energy, agriculture, and manufacturing	2,167	3,541	5,246
Environmental protection	167	233	355
Housing and community services	1,282	1,634	2,370
Health affairs and services	5,875	7,254	8,607
Recreational, cultural, religious affairs	1,000	1,418	1,705
Education affairs and services	6,845	8,678	10,503
Social protection	5,439	6,339	7,171
Transfers to local budgets	2,943	2,369	1,593
Overall cash balance	37	-175	-1,859
Financing	-37	175	1,859
	(In percent of GDP)		
Revenue and grants	12.3	12.6	11.1
Expenditure	12.3	12.6	11.7
Overall cash balance	0.0	-0.1	-0.5
<i>Memorandum item:</i>			
Nominal GDP (In millions of hryvnias)	225,810	267,344	345,943

Sources: Ministry of Finance; and Fund staff estimates.

1/ Uses the authorities' revenue classification except for local privatization proceeds which are treated as financing item.

2/ Excludes net lending.

Table 26. Ukraine: Budgetary Payments Arrears, 2001-04  
(In millions of hryvnias)

	2001				2002				2003				2004			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total arrears (stock)	2,573	2,370	2,376	2,461	2,253	2,174	2,490	2,052	1,481	1,107	1,095	1,017	720			
Social arrears	621	579	647	794	840	681	524	387	325	33	0	0	0			
Wages	0	5	15	3	6	2	2	1	0	0	0	0	0			
Social insurance	620	575	632	791	835	679	522	386	325	33	0	0	0			
Stipends	1	0	0	0	0	0	0	0	0	0	0	0	0			
Pensions	0	0	0	0	0	0	0	0	0	0	0	0	0			
Budgetary	0	0	0	0	0	0	0	0	0	0	0	0	0			
Chernobyl Fund	0	0	0	0	0	0	0	0	0	0	0	0	0			
Pension Fund	0	0	0	0	0	0	0	0	0	0	0	0	0			
Energy arrears	1,073	1,003	932	841	791	927	1,055	825	561	599	686	595	399			
Heating	674	589	551	481	442	549	543	478	405	474	451	418	332			
Electricity	136	176	137	124	136	134	159	112	53	68	72	67	38			
Gas	84	100	58	43	52	67	42	25	10	39	10	25	9			
Bottled gas	22	13	21	24	19	24	35	20	12	12	19	11	1			
Other	157	124	165	169	142	153	276	190	81	6	134	74	19			
Water supply and sewage	383	335	330	328	286	282	308	308	276	283	285	286	265			
Communication	151	184	193	205	113	113	452	368	230	68	47	52	27			
Rent	0	0	0	0	0	0	0	0	0	0	0	0	0			
Other	345	270	274	293	223	171	151	164	90	124	76	83	29			
Total arrears (flow)	-107	-203	6	85	-207	-79	316	-438	-571	-375	-11	-78	-298			
Social arrears	-19	-41	68	146	47	-168	-157	-137	-62	-292	-33	0	0			
Wages	-14	4	10	-12	3	-12	0	-2	-1	0	0	0	0			
Social insurance	-5	-45	58	159	44	-156	-157	-135	-62	-292	-33	0	0			
Stipends	1	-1	0	0	0	0	0	0	0	0	0	0	0			
Pensions	0	0	0	0	0	0	0	0	0	0	0	0	0			
Budgetary	0	0	0	0	0	0	0	0	0	0	0	0	0			
Chernobyl Fund	0	0	0	0	0	0	0	0	0	0	0	0	0			
Pension Fund	0	0	0	0	0	0	0	0	0	0	0	0	0			
Energy arrears	-64	-70	-71	-91	-50	135	128	-230	-264	38	87	-91	-197			
Heating	24	-85	-38	-70	-39	107	-5	-65	-74	69	-23	-33	-86			
Electricity	-86	41	-39	-14	13	-2	25	-47	-59	15	4	-6	-29			
Gas	4	16	-42	-14	9	15	-25	-18	-14	29	-29	15	-16			
Bottled gas	-1	-9	7	3	-5	5	11	-15	-8	0	6	-7	-10			
Other	-5	-32	41	4	-27	11	123	-86	-109	-75	128	-60	-55			
Water supply and sewage	-24	-49	-5	-2	-42	-4	26	0	-32	7	2	1	-22			
Communication	6	33	9	12	-92	1	339	-85	-138	-162	-21	0	0			
Rent	0	0	0	0	0	0	0	0	0	0	0	0	0			
Other	...	-76	5	19	-70	-52	-21	14	-75	34	-47	7	-55			

Sources: Ministry of Finance; and Fund staff estimates.

Table 27. Ukraine: Tax Arrears, 2002-04

	2002			2003				2004			
		Q1	Q2	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
End-period stock	15,421	15,973	15,484	15,957	14,993	(In millions of hryvnias)					
State Tax Administration	14,704	15,167	14,667	15,116	14,131	11,019	9,978	10,526	9,782	9,981	8,888
VAT	6,971	7,406	6,858	7,125	6,512	4,573	4,573	4,412	4,197	4,158	4,158
Excises	544	570	487	461	299	70	70	47	24	39	39
Enterprise profit tax	4,493	4,464	4,292	4,165	4,082	2,823	2,823	2,707	2,251	2,409	2,409
Personal income tax	110	117	130	133	122	98	98	92	86	87	87
Land	526	561	569	642	519	291	291	266	254	250	250
Other	2,058	2,050	2,330	2,588	2,596	2,123	2,123	1,927	1,921	1,944	1,944
Pension Fund	717	806	817	842	862	1,041	1,041	1,075	1,049	1,093	1,093
Period Flow	8,719	1,083	-489	474	-964	-3,974	-3,974	-493	-744	199	199
State Tax Administration	8,389	995	-500	449	-985	-4,153	-4,153	-527	-718	155	155
VAT	3,214	805	-547	267	-614	-1,939	-1,939	-160	-215	-39	-39
Excises	327	49	-82	-26	-162	-230	-230	-23	-23	15	15
Enterprise profit tax	3,156	55	-172	-127	-83	-1,259	-1,259	-116	-456	158	158
Personal income tax	42	8	13	3	-11	-24	-24	-6	-6	1	1
Land	258	67	8	73	-122	-228	-228	-25	-13	-3	-3
Other	1,392	11	281	258	7	-472	-472	-196	-6	23	23
Pension Fund	330	89	11	25	20	179	179	34	-26	44	44
Stock	7.0	6.0	5.8	6.0	5.6	(In percent of GDP)					
State Tax Administration	6.7	5.7	5.5	5.7	5.3	3.2	3.2	3.1	2.8	2.9	2.9
Pension Fund	0.3	0.3	0.3	0.3	0.3	2.9	2.9	2.7	2.5	2.6	2.6
Period Flow 1/	13.9	2.1	-0.8	0.6	-1.2	-6.2	-6.2	-0.6	-0.7	0.2	0.2
State Tax Administration	13.3	1.9	-0.8	0.6	-1.2	-6.5	-6.5	-0.7	-0.7	0.2	0.2
Pension Fund	0.5	0.2	0.0	0.0	0.0	0.3	0.3	0.0	0.0	0.0	0.0
<i>Memorandum items:</i>											
Nominal period GDP (In millions of hryvnias)	62,883	51,535	59,964	75,581	80,264	64,115	64,115	78,589	101,004	101,114	101,114
Nominal annual GDP (In millions of hryvnias)	220,556	267,344	267,344	267,344	267,344	345,943	345,943	345,943	345,943	345,943	345,943

Sources: Ministry of Finance; and Fund staff estimates.

1/ In percent of period GDP.

Table 28. Ukraine: Accounts of the National Bank of Ukraine, 2000-05 1/  
(In millions of hryvnias; end of period)

	2000		2001		2002		2003		2004		2005	
	Dec.	Dec.	Dec.	Dec.	Dec.	Dec.	Jun.	Jun.	Mar.	Jun.	Mar.	Jun.
Net foreign assets	-3,004	6,219	13,709	14,875	23,235	25,978	27,435	32,871	43,002	56,346	43,787	59,760
Net international reserves	-2,552	6,431	13,821	14,965	23,329	26,077	27,480	33,081	43,138	56,372	43,644	59,442
Other net foreign assets	-453	-213	-112	-90	-94	-99	-45	-210	-137	-25	142	318
Net domestic assets	19,785	16,836	17,099	16,315	11,943	12,042	12,655	8,566	4,220	-953	9,977	5,748
Net domestic credit	21,100	18,289	19,182	18,476	14,518	14,501	16,185	11,801	7,325	2,108	15,573	4,693
Net credit to government	19,939	18,518	17,449	16,687	12,278	12,417	13,575	9,555	6,088	2,560	11,458	6,268
Credit to general government	20,854	19,898	19,634	19,362	19,102	18,792	18,548	18,261	17,982	16,977	16,720	12,732
Deposits of general government	915	1,380	2,186	2,675	6,824	6,375	4,973	8,706	11,894	14,417	5,263	6,464
Net credit to the economy	122	69	-19	120	89	111	113	135	-400	116	98	147
Claims on banks 2/	1,039	-298	1,752	1,669	2,151	1,973	2,497	2,111	1,637	-568	4,017	-1,722
Other items, net	-1,314	-1,452	-2,083	-2,161	-2,575	-2,459	-3,531	-3,235	-3,105	-3,060	-5,596	1,055
Base money	16,781	23,055	30,808	31,191	35,178	38,021	40,089	41,438	47,222	55,394	53,763	65,508
Currency outside banks	12,799	19,465	26,434	26,002	29,375	30,862	33,119	33,580	36,890	42,296	42,345	51,304
Banks' reserves	3,982	3,590	4,374	5,189	5,803	7,158	6,970	7,858	10,331	13,097	11,418	14,204
Cash in vault	565	759	1,270	1,679	1,709	2,366	2,929	2,258	2,675	3,129	3,324	3,860
Correspondent accounts	3,417	2,831	3,105	3,510	4,094	4,792	4,041	5,599	7,657	9,968	8,094	10,344

Sources: National Bank of Ukraine; and Fund staff estimates.

1/ At actual exchange rates; Fund staff analytical presentation; data differ from staff report since net international reserves are used in staff report instead of net foreign assets to derive net domestic assets.

2/ Includes bank refinancing and other claims on banks, net of funds received from reverse repurchase operations, certificates of deposits issued by the NBU, and the NBU deposit facility.

Table 29. Ukraine: National Bank of Ukraine Monetary Policy Instruments, 2000–05  
(In millions of hryvnias, unless indicated otherwise)

	Required Reserves Balances 1/	Correspondent Accounts 2/	Reverse Repo Operations 3/	Certificates of Deposit 3/	Deposit Facility 3/	Refinancing Facilities 3/			Long-term	Other 5/	Foreign Exchange Market Intervention 6/
						Total	Overnight 4/	Repo			
2000 Dec.	3,184	3,401	557	372	0	88	47	41	0	0	5,553
2001 Dec.	3,626	2,801	506	3,187	0	2,483	2,083	97	203	0	9,133
2002 Dec.	3,215	3,063	0	0	0	403	95	0	292	16	-153
2003 Jan.	3,234	3,827	0	0	0	472	111	0	361	0	582
Feb.	3,343	2,982	0	0	0	92	0	0	92	0	178
Mar.	3,503	3,466	0	0	0	2,070	1,800	100	170	0	1,486
Apr.	3,658	3,376	0	0	0	428	233	70	125	0	1,356
May	3,738	3,549	0	0	0	331	38	100	75	118	1,125
Jun.	3,914	4,049	0	0	0	3,122	2,817	150	155	0	1,072
Jul.	4,095	4,355	0	250	0	714	330	0	65	319	1,756
Aug.	4,238	4,924	0	0	0	1,527	1,432	0	53	42	2,846
Sep.	4,419	4,738	0	0	0	1,238	1,121	0	114	3	109
Oct.	4,581	4,284	0	0	0	1,559	1,398	0	161	0	32
Nov.	4,482	4,768	190	0	0	7,694	7,031	0	566	97	335
Dec.	4,364	3,999	0	0	0	7,015	6,545	0	393	77	-399
2004 Jan.	4,306	5,202	150	0	0	209	171	0	10	28	1,070
Feb.	4,413	5,422	0	0	0	283	244	0	39	0	3,032
Mar.	4,594	5,554	0	0	0	380	68	1	35	277	1,009
Apr.	4,634	6,143	0	0	0	84	32	0	52	0	2,303
May	4,823	8,468	100	206	40	36	0	0	36	0	3,378
Jun.	4,894	7,657	130	568	2	142	74	0	68	0	4,639
Jul.	5,453	9,255	2,320	412	557	54	0	0	54	0	8,615
Aug.	5,602	9,113	550	998	850	45	0	0	45	0	3,395
Sep.	5,830	9,968	300	1,837	600	2	0	0	2	0	1,138
Oct.	6,985	8,304	0	1,474	100	154	119	0	0	0	-6,497
Nov.	7,068	6,285	0	50	0	5,811	5,350	375	86	0	-5,645
Dec.	5,862	8,094	0	29	0	13,343	8,723	3,072	585	0	-2,217
2005 Jan.	5,954	8,385	0	1,243	0	65	51	11	0	3	3,780
Feb.	6,175	9,722	0	1,305	0	19	0	0	19	0	3,187
Mar.	6,612	14,033	400	2,695	0	0	0	0	0	0	7,292
Apr.	6,934	11,957	650	3,026	20	3	0	0	3	0	5,449
May	7,132	10,139	750	1,474	0	18	18	0	0	0	1,860
Jun.	7,241	10,269	500	1,245	20	441	441	0	0	0	-624

Source: National Bank of Ukraine.

1/ Monthly average.

2/ End of month data; based on monthly balance sheet.

3/ Total operations during the month.

4/ From September 2001 overnight credit.

5/ Other lending to banks, including long-term loans (over one year maturity) other than stabilization lending to banks undergoing rehabilitation.

6/ Net balances of funds emitted for NBU foreign currency purchases, change against previous period; includes net foreign currency purchases by the Treasury, including for debt payments.

Table 30. Ukraine: Accounts of Commercial Banks, 2000-05 1/  
(In millions of hryvnias; end of period)

	2000		2001		2002		2003		2004		2005	
	Dec.	Dec.	Dec.	Dec.	Dec.	Jun.	Mar.	Jun.	Mar.	Jun.	Mar.	Jun.
Net foreign assets	2,494	656	2,243	915	-1,924	66,346	71,947	81,986	91,706	89,072	101,856	111,806
Foreign assets	5,008	4,105	6,473	5,818	7,239	6,582	6,989	8,208	10,342	12,214	13,170	13,170
Foreign liabilities	2,514	3,449	4,231	4,903	9,164	6,663	9,254	11,194	12,451	13,741	16,769	18,513
Net domestic assets	18,553	27,187	43,539	50,895	57,687	66,346	71,947	81,986	91,706	89,072	101,856	111,806
Domestic credit	20,394	29,377	48,642	56,133	63,232	72,740	78,102	86,899	93,175	94,608	102,558	116,835
Net credit to government	-554	-128	822	790	-276	1,505	807	1,026	783	1,125	894	1,823
Credit to general government	805	1,413	2,649	2,637	2,243	2,620	2,638	2,755	3,308	2,763	2,518	3,412
Deposits of general government	1,359	1,541	1,827	1,846	2,519	1,115	1,830	1,730	2,524	1,638	1,624	1,589
Credit to the economy	20,948	29,505	47,820	55,343	63,508	71,235	77,294	85,874	92,391	93,483	101,664	115,012
In domestic currency	12,351	17,388	29,699	34,940	39,724	43,887	47,706	53,839	57,910	57,012	61,998	70,876
Enterprises	11,515	16,394	27,409	32,294	36,483	39,936	43,520	49,150	52,402	50,358	55,140	62,581
Households	836	993	2,289	2,646	3,241	3,951	4,185	4,689	5,508	6,654	6,857	8,294
In foreign currency	8,597	12,117	17,097	20,403	23,784	27,348	29,588	32,034	34,481	36,470	39,667	44,137
Banks' reserves	3,982	3,590	5,189	5,803	7,158	6,970	7,858	10,331	13,097	11,418	17,235	14,204
Claims on the NBU	554	1,850	0	0	0	0	0	293	2,335	169	3,095	3,171
Other items, net	-6,376	-7,630	-10,292	-11,041	-12,703	-13,365	-14,012	-15,537	-16,900	-17,123	-21,032	-22,404
Liabilities	21,047	27,842	45,781	51,810	57,606	64,421	69,682	79,001	89,598	87,546	98,255	106,463
Credit to banks from NBU	1,593	1,552	1,669	2,151	1,973	2,497	2,111	1,930	1,617	4,186	1,209	1,429
Hryvnia deposits	11,961	17,632	29,134	33,518	37,716	41,955	45,662	53,220	61,049	52,971	64,073	69,522
Demand deposits	8,030	10,331	15,652	17,440	19,431	20,010	21,390	25,514	29,654	25,842	32,003	34,388
Time deposits	3,931	7,301	13,482	16,078	18,285	21,944	24,272	27,706	31,395	27,129	32,069	35,134
Foreign currency deposits	7,493	8,658	14,978	16,141	17,917	19,969	21,909	23,851	26,932	30,389	32,973	35,512

Sources: National Bank of Ukraine; and Fund staff estimates.

1/ Fund staff analytical presentation; data differ from staff report.

Table 31. Ukraine: Interest Rates, 2000-05  
(In percent; average)

Year	Month	NBU Refinancing Rates				NBU Rate on Certificates of Deposits	Bank Interest Rates				Primary Market Yield on Government Securities 4/			
		Discount Rate	NBU Overnight Lending Rate 1/	NBU Repo Rate	NBU Rate for Refinancing for Stabilization Tenders		Overnight Money Market Rate 2/	Average Hyrynia Lending Rate 3/	Average Foreign Currency Lending Rate 3/	Average Hyrynia Deposit Rate 3/	Average Foreign Currency Deposit Rate 3/	3-month	12-month	18-month
2000	Dec.	27.0	-	-	-	-	37.3	16.0	9.2	5.8	23.0	25.0	-	-
2001	Dec.	13.2	14.7	-	15.1	-	29.6	11.6	10.8	6.2	-	-	-	-
2002	Dec.	7.1	8.0	-	8.0	-	21.8	11.3	6.9	6.0	-	-	-	9.0
2003	Jan.	7.0	8.0	-	8.0	-	18.6	11.8	6.8	5.2	7.8	-	-	-
	Feb.	7.0	8.0	-	8.0	-	17.6	12.1	6.8	6.1	7.4	-	-	10.0
	Mar.	7.0	8.0	8.0	7.7	-	18.0	12.5	7.4	5.6	-	-	-	-
	Apr.	7.0	8.0	8.0	8.0	-	18.3	12.8	6.8	6.3	7.7	10.0	11.7	-
	May	7.0	8.0	8.0	8.0	-	17.9	13.1	6.8	6.2	7.7	10.0	11.7	10.0
	Jun.	7.0	8.0	8.0	8.0	-	17.2	12.6	6.7	6.0	9.8	11.6	11.6	10.0
	Jul.	7.0	8.0	-	8.0	-	18.2	11.6	6.3	6.0	9.5	11.5	11.5	-
	Aug.	7.0	8.0	-	8.0	-	18.2	11.8	6.7	5.2	9.2	11.2	11.2	-
	Sep.	7.0	8.0	-	8.0	-	17.2	11.7	6.7	5.5	9.0	11.2	11.2	-
	Oct.	7.0	8.0	-	8.5	-	17.8	11.6	6.9	5.9	9.0	11.2	11.2	-
	Nov.	7.0	8.0	-	8.4	-	15.4	11.2	8.0	6.3	5.0	11.2	11.2	-
	Dec.	7.0	8.0	-	9.1	-	17.7	10.9	8.0	6.9	5.1	-	-	11.6
2004	Jan.	7.0	8.0	-	8.3	-	17.8	12.0	8.2	6.7	5.5	-	-	11.8
	Feb.	7.0	8.5	-	9.7	-	18.0	12.8	8.2	6.6	-	-	-	11.7
	Mar.	7.0	9.3	8.8	9.1	-	17.2	12.2	8.5	6.6	-	9.5	11.4	11.7
	Apr.	7.0	9.0	-	8.5	-	18.1	12.5	8.5	6.6	-	9.5	11.2	11.4
	May	7.0	-	-	9.2	2.7	17.4	12.2	7.7	6.2	-	9.5	11.2	11.4
	Jun.	7.4	10.2	10.0	10.7	3.8	16.6	12.1	9.9	6.6	-	9.5	11.2	11.7
	Jul.	7.5	-	-	10.1	2.7	17.0	12.8	7.5	6.3	-	9.3	11.2	11.4
	Aug.	7.5	-	-	10.6	3.3	17.1	13.0	6.5	5.2	-	9.3	11.2	11.4
	Sep.	7.5	-	-	12.4	6.0	17.0	12.6	6.8	5.0	-	-	-	11.7
	Oct.	7.9	11.0	-	11.5	9.1	17.3	12.6	6.5	5.7	-	-	-	-
	Nov.	8.7	14.1	11.9	13.0	-	15.7	12.0	7.3	6.6	-	-	-	-
	Dec.	9.0	19.7	13.7	14.9	-	16.8	11.3	7.9	7.0	-	-	-	11.7
2005	Jan.	9.0	20.0	14.0	-	8.1	18.1	12.3	9.9	7.9	-	-	-	11.3
	Feb.	9.0	-	-	15.0	2.4	16.8	12.0	10.0	7.8	-	-	-	9.8
	Mar.	9.0	-	-	-	1.6	17.0	12.1	9.3	7.2	-	-	-	6.7
	Apr.	9.0	-	-	13.0	3.1	16.4	12.0	9.1	6.6	-	-	-	5.6
	May	9.0	15.0	-	-	3.3	15.9	11.3	8.3	6.3	-	-	-	6.3
	Jun.	9.0	15.0	-	-	2.9	15.4	11.0	7.6	6.2	-	-	-	7.7

Source: National Bank of Ukraine.

1/ From 1999-2000 Lombard rate. From March 2004, overnight lending to banks against collateral.

2/ Weighted average rate on daily loans from financial institutions in national currency.

3/ Weighted average rate by commercial banks (excluding interbank transactions).

4/ Average rate of primary market auctions.

Table 32. Ukraine: Monetary Survey, 2000-05 1/  
(In millions of hryvnias; end of period)

	2000		2001		2002		2003			2004			2005			
	Dec.		Dec.		Dec.		Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.
Net foreign assets	-511		6,875		13,942		17,118	24,150	25,897	25,511	30,607	40,016	54,238	42,260	52,109	54,417
Foreign assets	13,935		20,938		28,675		31,756	39,297	42,836	44,958	49,753	60,616	75,414	65,045	77,262	80,152
Foreign liabilities	14,446		14,063		14,733		14,638	15,146	16,939	19,447	19,146	20,599	21,176	22,785	25,152	25,735
Net domestic assets	32,763		38,881		50,927		52,996	54,884	60,598	69,533	70,544	73,945	76,040	83,445	87,998	101,921
Net domestic credit	40,511		48,074		61,986		65,516	68,599	75,838	86,505	87,850	93,183	95,932	106,266	112,254	123,302
Net credit to government	19,385		18,390		18,273		17,509	13,068	12,141	15,080	10,362	7,114	3,343	12,583	10,388	8,091
Credit to general government	21,659		21,311		22,211		22,010	21,738	21,035	21,168	20,898	20,737	20,284	19,484	18,922	16,143
Deposits of general government	2,274		2,921		3,938		4,502	8,894	8,894	6,088	10,536	13,623	16,941	6,901	8,534	8,052
Credit to the economy	21,126		29,684		43,712		48,007	55,531	63,697	71,425	77,488	86,070	92,589	93,683	101,866	115,211
In domestic currency	12,381		17,425		26,463		29,733	34,975	39,761	43,925	47,747	53,883	57,956	57,062	62,050	70,932
Enterprises	11,525		16,407		24,447		27,412	32,296	36,485	39,937	43,522	49,152	52,404	50,360	55,142	62,583
Households	855		1,018		2,015		2,321	2,679	3,276	3,987	4,225	4,731	5,552	6,702	6,908	8,349
In foreign currency	8,746		12,259		17,250		18,274	20,555	23,935	27,501	29,740	32,186	34,633	36,621	39,817	44,279
Other items, net	-7,748		-9,193		-11,058		-12,519	-13,715	-15,240	-16,973	-17,306	-19,238	-19,892	-22,822	-24,256	-21,381
Broad money	32,253		45,755		64,870		70,114	79,034	86,495	95,043	101,151	113,961	130,277	125,705	140,107	156,339
Hryvnia broad money	24,760		37,097		52,324		55,136	62,893	68,578	75,074	79,242	90,110	103,345	95,316	107,135	120,827
Currency outside banks	12,799		19,465		26,434		26,002	29,375	30,862	33,119	33,580	36,890	42,296	42,345	43,062	51,304
Hryvnia demand deposits	8,030		10,331		13,847		15,652	17,440	19,431	20,010	21,390	25,514	29,654	25,842	32,003	34,388
Hryvnia time deposits	3,931		7,301		12,043		13,482	16,078	18,285	21,944	24,272	27,706	31,395	27,129	32,069	35,134
Foreign currency deposits	7,493		8,658		12,546		14,978	16,141	17,917	19,969	21,909	23,851	26,932	30,389	32,973	35,512

Sources: National Bank of Ukraine; and Fund staff estimates.

1/ At actual exchange rates; Fund staff analytical presentation; data differ from staff report since net international reserves are used in staff report instead of net foreign assets to derive net domestic assets.

Table 33. Ukraine: Summary Indicators of Money and Credit, 2000-05

	2000		2001		2002		2003		2004			2005				
	Year	Year	Year	Year	Year	Year	Year	Year	Mar.	Jun.	Sep.	Dec.	Year	Mar.	Jun.	
Monetary survey																
Net foreign assets 1/	28.3	22.9	15.4	4.9	10.0	2.2	-0.4	17.8	5.4	9.3	12.5	-9.2	17.6	7.8	1.6	
Net domestic credit	23.3	18.7	28.9	5.7	11.5	5.2	2.8	26.3	1.6	6.1	3.0	10.8	23.2	5.6	9.8	
o/w: Credit to the economy	61.3	40.5	47.3	9.8	15.7	14.7	12.1	63.4	8.5	11.1	7.6	1.2	31.2	8.7	13.1	
Broad money	45.5	41.9	41.8	8.1	12.7	9.4	9.9	46.5	6.4	12.7	14.3	-3.5	32.3	11.5	11.6	
o/w: Hryvnia broad money	49.1	49.8	41.0	5.4	14.1	9.0	9.5	43.5	5.6	13.7	14.7	-7.8	27.0	12.4	12.8	
Real broad money 2/	19.7	35.7	42.3	4.3	11.9	10.6	5.1	38.3	4.2	10.6	13.1	-9.8	20.0	7.0	9.6	
Real credit to the economy 2/	35.5	34.4	47.8	6.1	14.9	15.9	7.4	55.2	6.3	9.0	6.4	-5.1	18.9	4.2	11.1	
National Bank of Ukraine																
Net international reserves 3/	52.4	53.5	32.1	3.7	26.8	7.8	3.7	44.3	14.0	24.3	28.0	-23.0	40.3	22.1	6.5	
Net domestic credit	0.8	-13.3	4.9	-3.7	-21.4	-0.1	11.6	-15.6	-27.1	-37.9	-71.2	638.9	-3.8	-50.5	-39.2	
Base money	40.1	37.4	33.6	1.2	12.8	8.1	5.4	30.1	3.4	14.0	17.3	-2.9	34.1	12.2	8.6	
Currency outside banks	33.6	52.1	35.8	-1.6	13.0	5.1	7.3	25.3	1.4	9.9	14.7	0.1	27.9	1.7	19.1	
Real base money 2/	14.3	31.3	34.2	-2.5	12.0	9.3	0.7	21.9	1.2	11.8	16.1	-9.2	21.8	7.7	6.6	
Velocity 4/	5.3	4.5	3.5	3.3	3.1	3.0	2.8	2.8	2.7	2.6	2.5	2.8	2.8	2.6	2.4	
Percent change relative to previous period	-10.4	-15.4	-22.0	-4.3	-7.4	-4.3	-5.8	-20.2	-1.3	-5.2	-5.2	11.6	-1.0	-5.7	-6.6	
Money multiplier	1.9	2.0	2.1	2.2	2.2	2.3	2.4	2.4	2.4	2.4	2.4	2.3	2.3	2.3	2.4	
Currency in percent of deposits	65.8	74.0	68.8	58.9	59.2	55.5	53.5	53.5	49.7	47.9	48.1	50.8	50.8	44.4	48.8	
Bank reserves in percent of deposits	17.6	10.8	8.1	8.0	8.2	8.6	6.5	6.5	8.3	9.9	11.3	9.7	9.7	14.5	9.8	
Cash in vault in percent of deposits	2.9	2.9	3.3	3.8	3.4	4.3	4.7	4.7	3.3	3.5	3.6	4.0	4.0	3.3	3.7	
Share of foreign currency deposits (In percent of total deposits)	38.5	32.9	32.6	34.0	32.5	32.2	32.2	32.2	32.4	30.9	30.6	36.5	36.5	34.0	33.8	
Share of foreign currency loans (In percent of total loans)	41.4	41.3	39.5	38.1	37.0	37.6	38.5	38.5	38.4	37.4	37.4	39.1	39.1	39.1	38.4	
Credit to the economy in percent of GDP	12.4	14.5	19.4	20.5	22.8	25.0	27.0	27.0	27.9	29.0	28.8	27.1	27.1	28.0	30.4	
Broad money in percent of GDP	19.0	22.4	28.7	30.0	32.4	33.9	36.0	36.0	36.5	38.5	40.6	36.3	36.3	38.5	41.3	
Memorandum items:																
CPI inflation (Percent change over previous period)	25.8	6.1	-0.6	3.7	0.8	-1.2	4.8	8.2	2.2	2.1	1.2	6.3	12.3	4.5	2.0	
Nominal GDP (In millions of hryvnias)	170,070	204,190	225,810	51,535	59,964	75,581	77,085	264,165	64,746	78,975	100,456	101,766	345,943	82,541	94,136	

Sources: Ukrainian authorities; and Fund staff estimates.

1/ In percent of previous period broad money.

2/ Deflated by the consumer price index.

3/ In percent of previous period base money.

4/ Based on nominal GDP over the last four quarters.

Table 34. Ukraine: Structure of Credit to Economy, 2001-05  
(End of period)

	2001		2002		2003		2004		2005-Q1								
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total							
			In domestic currency	In foreign currency	In domestic currency	In foreign currency	In domestic currency	In foreign currency	In domestic currency	In foreign currency	In domestic currency	In foreign currency					
Total	28,373	42,035	67,835	24,737	12,545	14,826	15,727	88,579	26,864	13,711	24,343	23,660	95,667	29,273	14,374	25,786	26,232
Of which:																	
Economic entities	26,955	38,721	58,849	22,723	11,659	12,836	11,631	73,785	24,355	12,708	20,209	16,512	79,781	26,905	13,001	21,432	18,443
Agriculture	1,711	2,644	4,561	2,241	2,55	1,540	525	5,218	2,345	436	1,768	668	5,842	2,916	413	1,789	724
Fishing	41	52	71	20	23	9	19	19	20	19	17	60	117	14	18	23	63
Extractive industry	866	1,282	1,787	813	459	295	220	2,111	594	687	444	387	1,860	592	521	426	320
Manufacturing industry	9,154	12,047	16,772	5,372	4,576	3,053	3,771	20,884	5,534	4,585	4,441	6,025	22,577	5,898	4,653	5,769	6,757
Electric power, gas and water supply industry	876	1,514	1,784	1,247	1,247	334	1,018	1,439	1,018	19	202	111	1,200	881	17	246	57
Construction	657	880	1,556	601	111	488	356	2,656	772	232	1,002	701	3,101	935	234	1,086	845
Wholesale and retail trade, repair service	10,161	15,598	24,598	9,614	5,357	4,752	4,875	30,987	10,918	5,816	8,684	5,680	33,103	12,347	6,047	8,258	6,452
Hotels and restaurants	85	124	249	86	31	78	55	334	84	16	116	118	374	93	19	127	135
Transportation	1,289	1,589	2,663	913	316	792	643	3,737	1,210	389	1,268	869	3,705	1,151	384	1,250	909
Financial activity	401	723	953	554	66	228	105	1,773	584	84	346	261	1,561	671	109	417	365
Realty operations	1,135	1,540	2,439	853	278	759	550	3,531	890	312	1,216	1,113	4,157	945	442	1,559	1,211
Public administration	25	64	159	16	3	130	9	97	3	3	83	9	81	4	0	75	3
Education	28	37	54	21	14	22	11	69	14	2	41	12	68	13	2	39	14
Health care and social protection	89	81	239	51	14	90	85	598	54	19	324	201	803	60	13	479	251
Joint, social and individual services	318	509	957	321	98	265	273	1,123	365	92	369	297	1,233	386	121	389	337
Extritorial activity	62	26	7	1	0	3	3	1	0	0	0	0	0	0	0	0	0
Individuals	1,418	3,313	8,986	2,014	886	1,990	4,096	14,794	2,509	1,003	4,134	7,148	15,885	2,368	1,373	4,355	7,790
								(In percent of total)									
Economic entities	95.0	92.1	86.8	91.9	92.9	86.6	74.0	83.3	90.7	92.7	83.0	69.8	83.4	91.9	90.4	83.1	70.3
Agriculture	6.0	6.3	6.7	9.1	2.0	10.4	3.3	5.9	8.7	3.2	7.3	2.8	6.1	10.0	2.9	6.9	2.8
Fishing	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.1	0.0	0.1	0.1	0.2
Extractive industry	3.1	3.1	2.6	3.3	3.7	2.0	1.4	2.4	2.2	5.0	1.8	1.6	1.9	2.0	3.6	1.7	1.2
Manufacturing industry	32.3	28.7	24.7	21.7	36.5	20.6	24.0	23.2	20.6	33.4	18.2	25.5	23.6	20.1	32.4	20.4	25.8
Electric power, gas and water supply industry	3.1	3.6	2.6	5.0	0.6	2.2	0.8	1.6	3.8	0.1	1.2	0.5	1.3	3.0	0.1	1.0	0.2
Construction	2.3	2.1	2.3	2.4	0.9	3.3	2.3	3.0	2.7	1.7	4.1	3.0	3.2	3.2	1.6	4.2	3.2
Wholesale and retail trade, repair service	35.8	37.1	36.3	38.9	42.7	32.1	31.0	34.9	40.6	42.4	34.9	24.0	34.6	42.2	42.1	32.0	24.6
Hotels and restaurants	0.3	0.3	0.4	0.3	0.2	0.5	0.3	0.4	0.3	0.1	0.5	0.5	0.4	0.3	0.1	0.5	0.5
Transportation	4.4	3.8	3.9	3.7	2.5	5.3	4.1	4.2	4.5	2.8	5.2	3.7	3.9	3.9	2.7	4.8	3.5
Financial activity	1.7	1.7	1.4	2.2	0.5	1.5	0.7	1.4	2.2	0.6	1.4	1.1	1.6	1.6	0.8	1.6	1.4
Realty operations	4.0	3.7	3.6	3.4	2.2	5.1	3.5	4.0	3.3	2.3	5.0	4.7	4.3	3.2	3.1	6.0	4.6
Public administration	0.1	0.2	0.2	0.1	0.0	0.9	0.1	0.1	0.0	0.0	0.3	0.0	0.1	0.0	0.0	0.3	0.0
Education	0.1	0.1	0.1	0.1	0.0	0.2	0.1	0.1	0.1	0.0	0.2	0.1	0.1	0.0	0.0	0.1	0.1
Health care and social protection	0.3	0.2	0.4	0.2	0.1	0.6	0.5	0.7	0.2	0.1	1.3	0.9	0.8	0.2	0.1	1.9	1.0
Joint, social and individual services	1.1	1.2	1.4	1.3	0.8	1.8	1.7	1.3	1.4	0.7	1.5	1.3	1.3	1.3	0.8	1.5	1.3
Extritorial activity	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Individuals	5.0	7.9	13.2	8.1	7.1	13.4	26.0	16.7	9.3	7.3	17.0	30.2	16.6	8.1	9.6	16.9	29.7

Source: National Bank of Ukraine.

Table 35. Ukraine: Exchange Rates, 2000–05  
(NBU official rates)

	Hryvnia per U.S. dollar		Hryvnia per Russian ruble	
	Average	End of period	Average	End of period
2000				
December	5.436	5.435	0.194	0.193
2001				
December	5.294	5.299	0.176	0.176
2002				
December	5.332	5.332	0.167	0.168
2003				
January	5.333	5.333	0.168	0.168
February	5.334	5.335	0.168	0.169
March	5.335	5.335	0.170	0.170
April	5.334	5.334	0.171	0.172
May	5.333	5.333	0.172	0.174
June	5.333	5.333	0.175	0.176
July	5.332	5.332	0.176	0.176
August	5.332	5.332	0.176	0.175
September	5.332	5.332	0.174	0.174
October	5.332	5.332	0.177	0.179
November	5.332	5.332	0.179	0.179
December	5.332	5.332	0.181	0.181
2004				
January	5.331	5.331	0.184	0.187
February	5.331	5.330	0.187	0.187
March	5.329	5.329	0.187	0.187
April	5.329	5.329	0.186	0.184
May	5.327	5.325	0.184	0.184
June	5.322	5.321	0.183	0.183
July	5.318	5.316	0.183	0.183
August	5.314	5.312	0.182	0.182
September	5.310	5.308	0.182	0.182
October	5.307	5.307	0.182	0.184
November	5.306	5.306	0.186	0.188
December	5.306	5.305	0.190	0.191
2005				
January	5.305	5.304	0.190	0.189
February	5.300	5.299	0.189	0.191
March	5.292	5.281	0.192	0.190
April	5.192	5.050	0.187	0.182
May	5.050	5.050	0.181	0.180
June	5.055	5.055	0.177	0.176
July	5.050	5.050	0.176	0.176
August	5.053	5.050	0.177	0.177

Source: National Bank of Ukraine.

Table 36. Ukraine: Financial Soundness Indicators for the Banking Sector, 2000-05  
(In percent, unless otherwise indicated)

	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Mar-05
<i>Ownership</i>						
Number of banks	153	152	157	158	160	161
Private	151	150	155	156	158	159
Domestic	120	122	135	137	139	138
Foreign	22	21	20	19	19	21
o/w: 100% foreign-owned	7	6	7	7	7	9
State-owned	2	2	2	2	2	2
<i>Concentration</i>						
Share of assets of largest 10 banks	55.3	52.5	54.1	53.7	53.1	53.0
Share of assets of largest 25 banks	71.4	66.8	71.0	71.7	72.0	72.5
Number of bank with assets less than \$150 million	145	141	140	131	124	124
<i>Capital Adequacy</i>						
Regulatory capital to risk-weighted assets	15.5	20.7	18.0	15.2	16.8	17.1
Capital to total assets	16.2	15.6	14.7	12.3	13.1	12.4
<i>Asset Quality</i>						
Credit growth (Year-over-year)	61.3	40.5	47.3	60.8	31.2	31.5
Credit to GDP ratio	12.4	14.5	19.4	26.6	27.0	28.2
Change of loan to GDP ratio (In percentage points)	2.4	2.1	4.8	7.3	-2.5	1.1
Loans in foreign currency to total loans	41.4	41.3	39.5	39.3	39.2	39.1
NPLs to total loans 1/ 3/	29.6	24.6	21.9	28.3	30.0	25.3
NPLs (excl. part of timely serviced substandard loans) 2/				8.5	8.9	7.4
NPLs net of provisions to capital 3/	68.0	62.9	66.6	144.6	147.2	124.0
Specific provisions to NPLs 3/ 4/	38.4	39.2	37.0	22.3	21.1	23.8
Specific provisions to total loans	11.3	9.6	8.1	6.3	6.3	6.0
<i>Earnings and Profitability</i>						
Return on assets (After tax; end of period)	-0.1	1.2	1.2	1.0	1.1	1.5
Return on equity (After tax; end of period)	-0.5	7.5	8.0	7.6	8.4	11.2
Net interest margin to total assets	6.3	6.9	6.0	5.8	4.9	4.8
Interest rate spreads (In percentage points; end of period)						
Between loans and deposits in domestic currency	28.5	18.9	14.9	9.9	9.6	7.7
Between loans and deposits in foreign currency	10.2	5.4	5.3	4.0	4.2	4.9
Between loans in domestic and foreign currency	21.3	18.0	10.5	6.9	6.2	5.0
Between deposits in domestic and foreign currency	3.4	4.6	0.9	1.1	0.8	2.2
<i>Liquidity</i>						
Liquid assets to total assets	20.8	15.3	13.5	15.3	16.7	18.4
Customer deposits to total (non-interbank) loans	59.1	87.6	87.6	87.1	89.2	95.3
of which: foreign currency deposits to total deposits	44.4	32.9	32.2	33.5	36.5	34.0
<i>Sensitivity to market risk</i>						
Net open positions in foreign currency to capital	32.9	23.6	21.5	17.7	14.7	12.3
Foreign currency loans minus foreign currency deposits to capital	49.6	47.2	49.2	55.1	33.8	34.8
Foreign currency loans to total loans to enterprises				36.0	36.1	35.2
<i>Number of banks not complying with banking regulations</i>						
Not meeting capital adequacy requirements for Tier I capital	7	3	1	1	2	0
Not meeting prudential regulations	27	21	16	9	14	8
Not meeting reserve requirements	3	6	2	0	11	4

Sources: National Bank of Ukraine; and Fund staff estimates.

1/ Increase in nonperforming loans (NPLs) in 2003 partly due to new classification rules.

2/ The NBU estimates that as of end-March 2004, 6.2 percent of loans classified as substandard were being timely serviced.

3/ NPLs are those classified as substandard, doubtful, and loss.

4/ About half of the drop in the provision to NPL ratio from end-2002 to end-2003 is due to new loan classification rules.

Table 37. Ukraine: Structure of the Non-bank Financial Sector, 2000-05

	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Mar-05
<b>Insurance</b>						
Number of insurance companies	283	328	338	357	387	392
Total assets	1,564	3,007	5,329	10,457	20,013	18,098
Premium revenue (In millions of hryvnias)	2,136	3,031	4,442	9,135	19,431	3,373
<b>Investment funds and mutual funds of investment companies</b>						
Number of investment funds and mutual funds of investment companies	142	129	109	186	...	...
Total assets (In millions of hryvnias)	...	352	329	...	302	...
<b>Pension funds</b>						
Number of pension funds	12	...	...	47	6	14
Total assets (In millions of hryvnias)	23	...	...	...	11	13
<b>Credit unions</b>						
Number of registered credit unions	...	...	...	...	662	668
Total assets (In millions of hryvnias)	37	...	...	...	1,067	1,110
<b>Leasing companies</b>						
Number of leasing companies	...	...	...	...	38	48
Number of financial companies (leasing agencies)	...	...	...	...	12	14
Leasing operations (In millions of hryvnias)	1,750	1,500	1,348	504	...	...
Lease-purchase agreements (In millions of hryvnias)	...	...	...	...	14	18
Financial leasing agreements (In millions of hryvnias)	...	...	...	...	57	59

Sources: State Commission for Regulation of Financial Services Markets in Ukraine; State Commission on Securities and Stock Exchange; and Ukrainian Leasing Association.

Table 38. Ukraine: Balance of Payments, 2000-04  
(In million of U.S. dollars; unless otherwise indicated)

	2000	2001	2002	2003	2004
Current account	1,481	1,402	3,173	2,891	6,804
Trade balance	779	198	710	-269	3,741
Exports 1/	15,722	17,091	18,669	23,739	33,432
Imports 2/	-14,943	-16,893	-17,959	-24,008	-29,691
o/w: Energy 3/	-5,947	-6,182	-6,539	-7,677	-9,842
Services	796	415	1,147	1,557	1,132
Receipts	3,800	3,995	4,682	5,214	6,287
Payments	-3,004	-3,580	-3,535	-3,657	-5,155
Income (net)	-942	-667	-606	-581	-645
o/w: Interest on public debt	-655	-529	-475	-477	-485
Current transfers (net)	848	1,456	1,922	2,184	2,576
Financial and capital account (net)	-690	122	-1,150	322	-4,227
Capital transfers	-8	3	15	-17	7
Direct investments	594	769	698	1,411	1,711
Portfolio equity	-195	-735	-1,957	-1,709	-1,284
Bonds and medium- and long-term loans	-87	-120	375	1,282	4,095
Currency and deposits	0	175	-167	-200	-690
Other capital 1/	-994	30	-114	-445	-8,066
Net errors and omissions	-150	-253	-872	-953	-38
Overall balance	641	1,271	1,151	2,260	2,539
Gross International Reserves (- increase)	-398	-1,606	-1,045	-2,045	-2,226
IMF (net)	-604	-79	-191	-215	-313
Official arrears to bilateral creditors (+ increase)	361	-361	0	...	...
Rescheduling 4/	...	775	85	...	...
Memorandum items:					
Current account in percent of GDP	4.7	3.7	7.5	5.8	10.5
Excluding transfers	2.0	-0.1	3.0	1.4	6.5
Gross International Reserves (end of period) 5/	1,505	3,089	4,417	6,937	9,525
In months of imports 5/	0.9	1.7	1.9	2.4	2.7

Source: National Bank of Ukraine.

1/ Including swap of goods to settle outstanding arrears to Russia. In 2000, \$274 million to settle Naftogas arrears to Gazprom.

2/ Before 1999 the imports of natural gas are reported at a decreed price rather than an actual transaction price.

3/ Natural gas, crude oil, oil products, and coal.

4/ Rescheduling by the Paris Club and other bilateral creditors on comparable terms.

5/ In months of next year's imports of goods and services.

Table 39. Ukraine: Directions of Merchandise Exports, 2000–04

	2000	2001	2002	2003	2004
(In millions of U.S. dollars)					
Total 1/	14,708	16,411	18,113	23,259	32,998
CIS	4,498	4,675	4,377	6,048	8,559
Russia 2/	3,516	3,680	3,189	4,311	5,889
Belarus	272	244	261	340	551
Other	710	751	927	1,397	2,119
EU member and accession countries 3/	5,429	6,516	7,612	9,596	12,879
Germany	741	711	755	1,424	1,891
Turkey	869	1,009	1,236	902	1,869
Other	3,819	4,796	5,621	7,270	9,119
Rest of the world	4,781	5,220	6,124	7,615	11,560
USA	725	569	519	719	1,507
China	629	542	700	1,003	831
Other	3,427	4,109	4,905	5,893	9,222
(Shares in percent of total)					
CIS	30.6	28.5	24.2	26.0	25.9
Russia 2/	23.9	22.4	17.6	18.5	17.8
Belarus	1.8	1.5	1.4	1.5	1.7
Other	4.8	4.6	5.1	6.0	6.4
EU member and accession countries 3/	36.9	39.7	42.0	41.3	39.0
Germany	5.0	4.3	4.2	6.1	5.7
Turkey	5.9	6.1	6.8	3.9	5.7
Other	26.0	29.2	31.0	31.3	27.6
Rest of the world	32.5	31.8	33.8	32.7	35.0
USA	4.9	3.5	2.9	3.1	4.6
China	4.3	3.3	3.9	4.3	2.5
Other	23.3	25.0	27.1	25.3	27.9
(Percent change)					
Total 1/	25.7	11.6	10.4	28.4	41.9
CIS	38.3	3.9	-6.4	38.2	41.5
Russia 2/	46.7	4.7	-13.3	35.2	36.6
Belarus	-21.4	-10.3	7.0	30.3	62.1
Other	39.2	5.8	23.4	50.7	51.7
EU member and accession countries 3/	25.8	20.0	16.8	26.1	34.2
Germany	32.3	-4.0	6.2	88.6	32.8
Turkey	29.1	16.1	22.5	-27.0	107.2
Other	23.9	25.6	17.2	29.3	25.4
Rest of the world	15.6	9.2	17.3	24.3	51.8
USA	66.3	-21.5	-8.8	38.5	109.6
China	-13.8	-13.8	29.2	43.3	-17.1
Other	15.4	19.9	19.4	20.1	56.5

Sources: State Statistics Committee of Ukraine; and National Bank of Ukraine.

1/ Excluding informal trade.

2/ In 1999 and 2000, excluding special exports to Russia (\$726 million and \$274 million respectively) to settle natural gas import arrears.

3/ EU accession countries include those who joined the EU in 2004—Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic, Slovenia—as well as Bulgaria, Romania, and Turkey.

Table 40. Ukraine: Commodity Structure of Exports, 2000–04

	2000	2001	2002	2003	2004
(In millions of U.S. dollars)					
Total 1/	14,708	16,411	18,113	23,259	32,998
Fuel and energy products	1,273	1,614	2,087	3,293	4,067
Machinery	1,859	2,340	2,630	3,638	5,660
Wood and wood products	419	517	568	718	910
Industrial products	725	840	878	1,088	1,285
Chemicals	1,914	1,871	1,818	2,511	3,479
Food items and raw materials	1,378	1,824	2,389	2,732	3,473
Ferrous and nonferrous metals	6,468	6,720	7,126	8,501	13,051
Other	672	685	617	778	1,073
(Shares in percent of total)					
Fuel and energy products	8.7	9.8	11.5	14.2	12.3
Machinery	12.6	14.3	14.5	15.6	17.2
Wood and wood products	2.8	3.2	3.1	3.1	2.8
Industrial products	4.9	5.1	4.8	4.7	3.9
Chemicals	13.0	11.4	10.0	10.8	10.5
Food items and raw materials	9.4	11.1	13.2	11.7	10.5
Ferrous and nonferrous metals	44.0	40.9	39.3	36.5	39.6
Other	4.6	4.2	3.4	3.3	3.3
(Percent change)					
Total	25.7	11.6	10.4	28.4	41.9
Fuel and energy products	20.4	26.8	29.3	57.8	23.5
Machinery	33.9	25.9	12.4	38.3	55.6
Wood and wood products	33.9	23.4	9.9	26.4	26.7
Industrial products	22.3	15.9	4.5	23.9	18.1
Chemicals	38.3	-2.2	-2.8	38.1	38.6
Food items and raw materials	-2.8	32.4	31.0	14.4	27.1
Ferrous and nonferrous metals	32.7	3.9	6.0	19.3	53.5
Other	-0.7	1.9	-9.9	26.1	37.9
Total	47.0	43.2	42.7	46.4	50.7

Sources: State Statistics Committee of Ukraine; and National Bank of Ukraine.

1/ Excluding informal trade and special exports to Russia ( \$274 million in 2000) to settle natural gas import arrears.

Table 41. Ukraine: Origin of Merchandise Imports, 2000–04

	2000	2001	2002	2003	2004
(In millions of U.S. dollars)					
Total 1/	13,888	15,707	16,909	22,172	28,023
CIS	8,040	8,832	8,968	11,508	14,874
Russia	5,825	5,814	6,317	8,646	11,812
Belarus	602	407	262	344	538
Other	1,613	2,611	2,389	2,518	2,524
EU member and accession countries 2/	4,199	4,886	5,701	8,178	9,974
Germany	1,134	1,380	1,658	2,273	2,732
Turkey	160	138	196	312	368
Other	2,905	3,368	3,847	5,593	6,874
Rest of the world	1,649	1,989	2,240	2,486	3,175
USA	360	458	473	498	764
China	132	196	259	519	733
Other	1,157	1,335	1,508	1,469	1,678
(Shares in percent of total)					
CIS	57.9	56.2	53.0	51.9	53.1
Russia	41.9	37.0	37.4	39.0	42.2
Belarus	4.3	2.6	1.5	1.6	1.9
Other	11.6	16.6	14.1	11.4	9.0
EU member and accession countries 2/	30.2	31.1	33.7	36.9	35.6
Germany	8.2	8.8	9.8	10.3	9.7
Turkey	1.2	0.9	1.2	1.4	1.3
Other	20.9	21.4	22.8	25.2	24.5
Rest of the world	11.9	12.7	13.2	11.2	11.3
USA	2.6	2.9	2.8	2.2	2.7
China	1.0	1.2	1.5	2.3	2.6
Other	8.3	8.5	8.9	6.6	6.0
(Percent change)					
Total	17.9	13.1	7.7	31.1	26.4
CIS	19.3	9.9	1.5	28.3	29.2
Russia	4.2	-0.2	8.7	36.9	36.6
Belarus	75.5	-32.4	-35.6	31.3	56.4
Other	99.9	61.9	-8.5	5.4	0.2
EU member and accession countries 2/	16.9	16.4	16.7	43.4	22.0
Germany	20.3	21.7	20.1	37.1	20.2
Turkey	11.9	-13.8	42.0	59.2	17.9
Other	15.9	15.9	14.2	45.4	22.9
Rest of the world	14.5	20.6	12.6	11.0	27.7
USA	-10.4	27.2	3.3	5.3	53.4
China	20.0	48.5	32.1	100.4	41.2
Other	24.7	15.4	13.0	-2.6	14.2

Sources: State Statistics Committee of Ukraine; and National Bank of Ukraine.

1/ Excluding informal trade.

2/ EU accession countries include those who joined the EU in 2004—Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic, Slovenia—as well as Bulgaria, Romania, and Turkey.

Table 42. Ukraine: Commodity Structure of Imports, 2000–04

	2000	2001	2002	2003	2004
(In millions of U.S. dollars)					
Total 1/	13,888	15,707	16,909	22,172	28,023
Fuel and energy products	6,419	6,590	6,940	7,761	10,027
Machinery	2,625	3,379	3,785	5,716	7,785
Wood and wood products	436	611	767	949	942
Industrial products	741	875	929	1,215	1,427
Chemicals	1,647	1,959	2,218	2,944	3,835
Food items and raw materials	908	1,126	1,114	2,174	1,909
Ferrous and nonferrous metals	681	821	811	1,197	1,753
Other	431	346	345	216	345
(Shares in percent of total)					
Fuel and energy products	46.2	42.0	41.0	35.0	35.8
Machinery	18.9	21.5	22.4	25.8	27.8
Wood and wood products	3.1	3.9	4.5	4.3	3.4
Industrial products	5.3	5.6	5.5	5.5	5.1
Chemicals	11.9	12.5	13.1	13.3	13.7
Food items and raw materials	6.5	7.2	6.6	9.8	6.8
Ferrous and nonferrous metals	4.9	5.2	4.8	5.4	6.3
Other	3.1	2.2	2.0	1.0	1.2
(Percent change)					
Total 1/	17.9	13.1	7.7	31.1	26.4
Fuel and energy products	18.0	2.7	5.3	11.8	29.2
Machinery	16.4	28.7	12.0	51.0	36.2
Wood and wood products	9.8	40.1	25.5	23.7	-0.7
Industrial products	16.7	18.1	6.2	30.8	17.4
Chemicals	12.9	18.9	13.2	32.7	30.3
Food items and raw materials	0.7	24.0	-1.1	95.2	-12.2
Ferrous and nonferrous metals	66.5	20.6	-1.2	47.6	46.4
Other	55.6	-19.7	-0.3	-37.4	59.7
(In percent of GDP)					
Total	44.4	41.3	39.9	44.2	43.1

Sources: State Statistics Committee of Ukraine; and National Bank of Ukraine.

1/ Excluding informal trade.

Table 43. Ukraine: Imports of Selected Energy Products, 2000–04

	2000	2001	2002	2003	2004
	(In millions of U.S. dollars)				
Total	5,947.1	6,182.4	6,538.6	7,677.3	9,841.8
Natural gas	3,323.9	3,287.8	3,521.1	3,190.0	3,591.4
Volume (in billions of m3)	59.2	56.9	56.2	55.3	62.1
Unit price (in dollars per 1000 m3)	56.1	57.8	62.7	57.7	57.8
Crude oil	1,090.6	2,105.3	2,430.8	3,678.4	4,837.4
Volume (in millions of tons)	6.0	13.3	18.9	22.5	21.7
Unit price (in dollars per ton)	181.8	158.3	128.6	163.5	222.9
Oil products	1,270.3	501.3	379.5	359.4	512.8
Volume (in millions of tons)	4.6	2.1	1.6	1.2	1.3
Unit price (in dollars per ton)	276.2	238.7	237.2	299.5	394.5
Coal	262.3	288.0	207.2	449.5	900.2
Volume (in millions of tons)	6.6	6.6	5.6	10.3	9.6
Unit price (in dollars per ton)	39.7	43.6	37.0	43.6	93.8
	(Shares in percent of total)				
Total	15.2	4.0	5.8	17.4	28.2
Natural gas	2.1	-1.1	7.1	-9.4	12.6
Volume (in billions of m3)	-1.2	-3.9	-1.2	-1.6	12.3
Unit price (in dollars per 1000 m3)	3.3	2.9	8.4	-7.9	0.3
Crude oil	23.3	93.0	15.5	51.3	31.5
Volume (in millions of tons)	-36.2	121.7	42.1	19.0	-3.6
Unit price (in dollars per ton)	93.2	-12.9	-18.7	27.1	36.4
Oil products	55.8	-60.5	-24.3	-5.3	42.7
Volume (in millions of tons)	17.9	-54.3	-23.8	-25.0	8.3
Unit price (in dollars per ton)	32.0	-13.6	-0.6	26.3	31.7
Coal	26.7	9.8	-28.1	116.9	100.3
Volume (in millions of tons)	32.0	0.0	-15.2	83.9	-6.8
Unit price (in dollars per ton)	-4.1	9.8	-15.2	17.9	114.9
	(In percent of GDP)				
Total	19.0	16.3	15.4	15.3	15.1

Sources: State Statistics Committee of Ukraine; and National Bank of Ukraine.

Table 44. Ukraine: Services, 2000–04

	2000	2001	2002	2003	2004
(In millions of U.S. dollars)					
Services (net)	796	415	1,147	770	1,132
Transport	2,530	2,552	2,897	2,156	2,414
Travel	-76	7	131	146	145
Construction	-133	-436	-187	-73	-128
Communication	-10	-8	-11	4	20
Other	-1,515	-1,700	-1,683	-1,463	-1,319
Total receipts	3,800	3,995	4,682	5,214	6,287
Transport	2,920	2,961	3,384	3,514	4,041
Travel	394	573	788	935	1,141
Construction	38	27	29	51	73
Communication	89	93	89	83	125
Other	359	341	392	631	907
Total payments	3,004	3,580	3,535	4,444	5,155
Transport	390	409	487	1,358	1,627
Travel	470	566	657	789	996
Construction	171	463	216	124	201
Communication	99	101	100	79	105
Other	1,874	2,041	2,075	2,094	2,226
(Percent change)					
Total receipts	-1.8	5.1	17.2	11.4	20.6
Total payments	31.1	19.2	-1.3	25.7	16.0
(In percent of GDP)					
Services (net)	2.5	1.1	2.7	1.5	1.7
Total receipts	12.2	10.5	11.0	10.4	9.7
Total payments	9.6	9.4	8.3	8.9	7.9

Source: National Bank of Ukraine.

Table 45. Ukraine: Official External Debt, 2000–04 1/

	2000	2001	2002	2003	2004
(In millions of U.S. dollars, end-of-period)					
Total debt	10,349	10,118	10,206	10,698	12,148
Multilateral debt	4,614	4,723	4,607	4,605	4,238
World Bank	2,100	2,398	2,312	2,271	2,138
IMF	2,073	1,909	1,876	1,836	1,605
European Union	319	287	300	290	238
EBRD	121	129	119	208	257
Bilateral debt	3,172	3,086	3,035	2,907	2,742
Russia	1,974	1,877	1,779	1,681	1,583
Germany	352	401	412	442	462
Turkmenistan	282	282	282	247	176
USA	290	290	273	248	240
Japan	166	145	159	162	152
Other	109	91	131	127	129
Commercial debt	2,563	2,309	2,564	3,186	5,168
Of which: Eurobonds issued in 2004	--	--	--	--	1,100
Of which: Eurobonds issued in 2003	--	--	--	1,000	1,000
Of which: 2007 Eurobonds	2,183	2,030	2,349	1,989	1,481
(Shares in percent of total)					
Multilateral debt	44.6	46.7	45.1	43.0	34.9
Bilateral debt	30.7	30.5	29.7	27.2	22.6
Commercial debt	24.8	22.8	25.1	29.8	42.5
(In percent of GDP)					
Total	33.1	26.6	24.1	21.3	18.7

Source: Ministry of Finance.

1/ Central government's and NBU's medium- and long-term external direct and guaranteed debt at end-of-period official exchange rates. This excludes Eurobonds issued by the City of Kyiv.

Table 46. Ukraine: Summary of the Tax System  
(as of July 1, 2005)

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
<b>1. Income taxes</b>			
<b>1.1. Personal income tax</b>			
Law of Ukraine "On Personal Income Tax" of 22.05.03 #889-IV	<p>For residents: income generated from the territory of Ukraine as well as abroad is taxed.</p> <p>For non-residents: income generated from the territory of Ukraine is taxed.</p>	<p>A taxpayer has the right to reduce his wage by the amount of social tax privilege, provided that his wage received in Ukraine does not exceed the monthly living minimum established for a working individual as of January 1 of the tax reporting year, multiplied by 1.4 times and rounded up to 10 hryvnias.</p> <p>Social tax privilege is granted in the amount of minimum monthly wage established under the law as of January 1 of the tax reporting year.</p> <p>Under the law in 2005 social tax privilege is envisaged in the amount of 50 percent of the minimum monthly wage.</p> <p>The established amount of social tax privilege has been increased 1.5 times for the following categories of taxpayers:</p> <ul style="list-style-type: none"> <li>a) a single parent (guardian, custodian) - for each child under 18 years old;</li> <li>b) those who support a disabled child – for each child under 18 years old;</li> <li>c) those who have three and more children under 18 years old – for each child;</li> <li>d) widower;</li> <li>e) those who belong to the 1<sup>st</sup> or 2<sup>nd</sup> category of Chernobyl victims, including individuals awarded with Certificate of the Presidium of the Verkhovna Rada of the UkrSSR for their participation in the Chernobyl clean-up;</li> <li>f) pupil, student, post-graduate student, military serviceman</li> <li>g) invalid of 1<sup>st</sup> or 2<sup>nd</sup> group, including invalids from childhood;</li> <li>h) recipient of life-time stipend as a victim of persecution for dissident activities, including journalists.</li> </ul>	<p>15 percent tax rate is applied, with 13 percent tax rate applied during transition period (January 1, 2004 - January 1, 2007).</p> <p>The tax rate of 5 on the following items is suspended until 01.01.2010:</p> <ul style="list-style-type: none"> <li>- interest on current or deposit account (including also card account)</li> <li>- interest or discount income by bearer savings (discount) certificate;</li> <li>- interest on deposit to the credit union, created in compliance with the legislation;</li> <li>- income by</li> </ul>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<p>Twice as large amount of tax privilege is used for the taxpayers who are:</p> <ul style="list-style-type: none"> <li>a) Heroes of Ukraine, Hero of the Soviet Union, Hero of the Socialist Labor or complete holder of the Order of Glory or Order of Labor Glory;</li> <li>b) Participants of the military actions during the World War II, or persons who worked in the rear, to whom the Law of Ukraine “On the Status of the War Veterans, Guarantees of their Social Protection”;</li> <li>c) Former prisoners of concentration camps, ghettos and other forced detention places during the Second World War, or persons recognized as the repressed or rehabilitated one;</li> <li>d) Persons deported by force from the territory of the former USSR during the Second World War on to the territory of the countries in the state of war with the former USSR, or occupied by the Nazi Germany and its allies;</li> <li>e) Persons who stayed on the territory of the former Leningrad (St Petersburg, Russian Federation) during the period of siege of September 8, 1941 to January 27, 1944</li> </ul> <p>From 2004 a taxpayer can claim as a tax credit the following expenditures:</p> <ul style="list-style-type: none"> <li>• a share of the amount of mortgage credit paid by the taxpayer</li> <li>• amount of funds or the cost of property transferred to the taxpayer in the form of donations or charity contributions to NGOs registered in Ukraine;</li> <li>• amount of funds paid by the taxpayer for the benefit of educational institutions to reimburse the cost of the secondary vocational or higher education ;</li> <li>• insurance contributions, premiums and pension contributions to the insurer – resident, non-state pension fund, bank institution according to the agreements of long-term life insurance, non-state pension support, pensions under contracts with the non-governmental pension fund;</li> </ul>	<p>mortgage participation certificate, mortgage certificate with deposits with fixed yield, in line with the legislation;</p> <p>- in other cases directly determined by the respective provisions of this Law;</p> <p>The tax is not levied on sales of movable property, namely: automobile, motorcycle, motoroller) or motorboat (sailing boat), provided that the taxpayer pays the state duty.</p> <p>From 01.01.05 the sale (alienation) of immovable property will be taxed at 1% if such a housing was acquired before 01.01.04, or 13 percent if such a property were purchased after 01.01.2004;</p> <p>Income received in the form of gifts and legacy</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<ul style="list-style-type: none"> <li>• taxpayers' costs of artificial impregnation irrespective whether he/she is in the state of marriage with the donor, or not;</li> <li>• payment of the cost of the state service, including the payment of the state duty, related to child adoption.</li> </ul> <p>The Law establishes limits on the expenses allowed to be included into tax credit. Total amount of accrued tax credit cannot exceed the sum of taxpayer's total taxable income received as wage during the reporting year.</p> <p>Starting with the tax year following the year in which the Law on mandatory medical insurance comes into effect, taxpayers will be allowed to include into tax credits the sums of their own funds which have been paid to health care establishments for provided paid services, and which have exceeded the payments from the mandatory medical insurance fund, except for expenses envisaged by the law.</p> <p>The following types of income are not included into monthly or annual taxable income:</p> <ul style="list-style-type: none"> <li>- state monetary and social assistance in the form of targeted payments of funds and provision of social services according to the law, housing and other subsidies or allowances, compensations (including benefits for pregnancy and child birth) premiums insurance payments received in compliance with law from the according budgets and the funds for mandatory state social insurance inclusive of (but not limited to) the following:             <ul style="list-style-type: none"> <li>a) cash assistance granted under the law to the families of the Interior and military servicemen who were killed (perished, lost in action) or died while in service;</li> <li>b) state premiums of Ukraine or government scholarships established by the Law or edicts of the President of Ukraine, and also state awards or prizes on behalf of Ukraine, excluding those which are paid in cash or other property different from such awards, Nobel and Abel prizes;</li> <li>c) assistance paid (granted) to the victims of Nazi persecutions (or</li> </ul> </li> </ul>	<p>shall be taxed at 0 percent, 5 percent, 13 percent or 26 percent, depending on the family relations and the type of such income;</p> <p>Any legacy inherited from a non-resident shall be taxed at 26 percent.</p> <p>Income in the form of prizes shall be taxed at 26% for residents and non-residents.</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<p>their heirs) from budgets or other sources, and identified by international agreements, which are ratified by the Verkhovna Rada of Ukraine, and also to the persons who have the title of “Ambassador of Peace”;</p> <p>d) assistance paid (granted) to persons (or to their heirs) who are recognized as repressed and/or rehabilitated under the Law, from budgets or other sources stipulated by international treaties which are ratified by the Verkhovna Rada of Ukraine;</p> <p>e) pensions or monthly life cash maintenance, received by a taxpayer from the Pension Fund of Ukraine or from the budget under the Law, and also from the foreign sources, provided that under the international treaties, which are ratified by the Verkhovna Rada of Ukraine, such pensions are nontaxable, or are taxed in the country of their payment.</p> <p>Exceptions envisaged by this point, do not include wages, allowances due to temporary disability, regress payments;</p> <ul style="list-style-type: none"> <li>- funds received by a taxpayer for business trip expenses, or taken by him on account, in compliance with item 9.10 Art. 9 of the Law;</li> <li>- income received from investing own funds into securities issued by the Ministry of Finance of Ukraine, prizes of state lottery;</li> <li>- indemnification for damage caused by Chernobyl catastrophe, in accordance with the procedures and in the amounts stipulated by the Law;</li> </ul> <ul style="list-style-type: none"> <li>- payments or indemnification (except for wages or other payments or indemnification under civil agreements) made with the consideration of item 9.7, Article 9 of this Law:</li> </ul> <ul style="list-style-type: none"> <li>a) by professional and artistic unions to their member in the cases envisaged by the Law;</li> <li>b) by the Red Cross Association of Ukraine for the benefit of charity aid recipients under the Law;</li> <li>b) by other non-profit organizations and charity funds of Ukraine with a legally established status, for the benefit of such payment recipients, excluding any payment or indemnification to the top managers of such organizations or funds and persons related to them;</li> <li>c) from the State Budget of Ukraine to academicians and associated</li> </ul>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<p>members of the National Academy of Science of Ukraine and Ukrainian Academy of agricultural science, Academy of Medical Science of Ukraine, Academy of Pedagogical Science of Ukraine, Academy of Law, Academy of Arts as monthly life payment for the title of the academician and associated member;</p> <p>d) amount of funds paid to the laureates of the International Ukrainian language contest named after Petro Yatsyk;</p> <ul style="list-style-type: none"> <li>- taxpayer's contributions for mandatory insurance in compliance with the law, other than state pension insurance fee or contributions for mandatory state social insurance;</li> <li>- state pension insurance fee and contributions for mandatory state social insurance deposited on the account of taxpayer's employer in the amounts established by the Law;</li> <li>- funds or property (non-property assets) value, acquired by a taxpayer at a court decision on distribution of married couple's common property due to their divorce, or due to announcing their marriage invalid, or at the parties' mutual consent, envisaged by the provisions of the Marital Code of Ukraine;</li> <li>- alimony paid to a taxpayer:             <ul style="list-style-type: none"> <li>a) in compliance with a court decision;</li> <li>b) under the voluntary agreement of the parties in the amounts established in compliance with the Marital Code of Ukraine, except for cases when alimony is paid by non-resident, irrespective of its amount, provided it is not stipulated otherwise by international agreements ratified by the Verkhovna Rada of Ukraine;</li> </ul> </li> <li>- funds or property (property or non-property rights, cost of works, services) received by a taxpayer as a gift, taking into account item 14.2, Art.14 of the Law;</li> <li>- funds or property, property or non-property rights, received by a physical person's heirs provided that the right to legacy is legally registered with accounting for item 13.2, Art.13 of the Law;</li> <li>- the cost of goods received by a taxpayer under the established legal procedure as a guaranteed compensation, and also cash reimbursement of the price of such goods received by a taxpayer in case he returns the goods to the seller, or to a person authorized by such seller to provide</li> </ul>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<p>for the warranty servicing or exchange of goods during warranty period; the amount cannot exceed the purchase price;</p> <ul style="list-style-type: none"> <li>- funds received by a taxpayer as a compensation (indemnification) for the value of property (non-property assets) alienated by the state in cases envisaged by the Law, or the cost of such compensation received in the form other than money;</li> <li>- cost of free meals, detergent cleaning agents, and also work clothes, footwear, uniform, personal protection means, according to the Law “On Labor Safety”, received for temporary usage by a taxpayer who is employed by the employer giving out such property according to the list and expiry terms, which are annually established by the Cabinet of Ministers of Ukraine. If the taxpayer, who terminates the labor relationships with the employer does not return such uniform, footwear, individual protection means, the expiry deadline has not yet come, during the final settlement the original cost of such property is included into the additional benefits provided to such taxpayers;</li> <li>- the value of coal and coal bricks provided free of charge and in accordance with the volumes and list of professions established by the Cabinet of Ministers of Ukraine, to a taxpayer who is an employee of the coal mining, and also provided to:             <ul style="list-style-type: none"> <li>a) a retired employee who is not working, and whose job history shows at least 10 years of underground work, or at least 20 years of work on the surface;</li> <li>b) a person who became an invalid in the result of an accident or professional disease during his work at such enterprise;</li> <li>c) a family member of an employee of such plant who receives pension for the loss of breadwinner.</li> </ul> </li> </ul> <p>When cash compensation for the value of such coal is paid, the sum is taxed at the time of payment and at its expense following generally established procedure.</p> <p>The Cabinet of Ministers of Ukraine establishes rules to fulfill this provision;</p> <ul style="list-style-type: none"> <li>- the amount of overpaid taxes, fees (mandatory payments) from budgets or state earmarked insurance funds in accordance with the law, and also budget refund in cases of the right for tax credit which is</li> </ul>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<p>returned to the taxpayer;</p> <ul style="list-style-type: none"> <li>- dividends accrued for the benefit of taxpayer in the form of stock (shares) issued by a resident legal entity, which accrues such dividends on condition that such accrual in no way will change the proportion (shares) of all stockholders (owners) in the issuer's authorized capital, as a result, this capital increases by the aggregated nominal value of such accrued dividends;</li> <li>- income received by a taxpayer as the result of alienation of shares (other corporate rights) acquired by him into ownership via privatization in exchange of privatization compensation certificates, directly received by him as compensation for his fee to the units of the USSR Savings Bank or to the establishments of the USSR State Insurance, or in exchange of privatization certificates legally received by him, and also the income received by such taxpayer as a result of alienation of land plots of agricultural designation, land shares (plots) property shares directly acquired by him into ownership during privatization in accordance with the land legislation;</li> <li>- proceeds from transactions with property or investment assets, which is non-taxable, as envisaged by the corresponding provisions of this law;</li> <li>- the sum paid by the employer to the educational institutions as a compensation for the cost of education or postgraduate training of a taxpayer who is an employee meeting the professional/productive needs of such employer. The sum cannot exceed the amount specified in subitem 6.5.1, item 6.5 Art.6 of the Law calculated per each complete or incomplete month of education/training of such employee.</li> </ul> <p>If such an employee terminates the labor relationships with such an employer during such training or prior to the termination of the second calendar year from the year, in which such education finishes, the amount paid as an indemnification of the cost of such training shall be considered equal to additional benefit extended to such an employee during the year in which such a termination of labor relations takes place, and is subject to taxation according to the generally established procedure;</p>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<ul style="list-style-type: none"> <li>- funds or value of property (services) provided as the benefit for the burial of the taxpayer by:               <ul style="list-style-type: none"> <li>a) any physical person, charity organization, Pension Fund of Ukraine or trade union;                   <ul style="list-style-type: none"> <li>employer of such a deceased taxpayer at his last place of work (also before retirement) in the amount not exceeding the double amount of the sum determined by sub-item 6.5.1 item 6.5 Article 6 of this Law. In case of surplus, the balance is taxable at time of payment at the rate stipulated in item 7.1 Art.7 of the Law;</li> </ul> </li> </ul> </li> <li>- funds or value of property (services) granted as allowance for medical treatment and healthcare services to a taxpayer from his employer at the expense of the resources left after the employer pays enterprise profit tax, on condition that corresponding supporting documents are available, except for costs specified in "a" – "g" under 5.3.4. of item 5.3 Art.5 of this Law;</li> <li>- the principal sum of the deposit made by a taxpayer to a bank or non-banking financial institution, which is returned to such taxpayer, the principal amount of loan received by a taxpayer, and also the payments to Ukrainian citizens (their heirs) of the savings deposited before January 2 1992 with the USSR Savings Bank or other state insurance institutions of the USSR, or into government securities issued in the former USSR, which have not been redeemed;</li> <li>- cost of vouchers for vacation, rehabilitation, and treatment on the territory of Ukraine for a taxpayer, or his children under 18 years old, given out for free or at a discount (in the amount of such discount) by a trade union in which the taxpayer has a membership and pays contributions; this trade union shall be established under Ukrainian legislation, or at the expense of the resources of a corresponding fund for state mandatory social insurance;</li> <li>- income (profit) of a self-employed person from entrepreneur activity or independent professional activity, given that this person has chosen special (simplified) taxation system for such income (profit) in accordance with the law;</li> <li>- stipend amount paid to pupil, student, ordinand, post-graduate student from the budget, and which does not exceed the amount specified in</li> </ul>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<p>6.5.1 under item 6.5 Art.6 of the Law. In case of surplus, the balance is taxable at time of payment at the rate stipulated in item 7.1 Art.7 of the Law;</p> <ul style="list-style-type: none"> <li>- cost of clothes, footwear, and also sums of allowances given to children-orphans and children left without parental guardianship (including graduates of vocational training schools and higher educational establishments of the i and ii accreditation levels) in line with the procedures and amounts established by the Cabinet of Ministers of Ukraine;</li> <li>- amounts of monetary or property assistance or maintenance of military servicemen (including those doing alternative service), which is envisaged by the law and paid out from the budget, or by a budget institution;</li> <li>- sum received by a taxpayer for the donation of blood, breast milk, other types of donorship, which is paid out from the budget, or by a budget institution;</li> <li>- value of housing transferred from state or communal property into taxpayer's ownership free of charge, or at a discount (in the amount of such discount) in accordance with the law.</li> </ul> <p>Given that a taxpayer who is a civil servant, or belongs to persons equated with them, is entitled to one-time monetary compensation of his costs related to creation of proper living conditions in accordance with the law, the sum of such compensation is taxable at the time of payment at its own expense, as an additional benefit;</p> <ul style="list-style-type: none"> <li>-amounts a taxpayer receives for sold (handed over) secondary raw materials and waste, except for ferrous or non-ferrous scrap metal.</li> </ul> <p>A person purchasing ferrous or non-ferrous scrap metal from a taxpayer, is regarded as tax agent for such taxpayer, and is obliged to tax this amount at the rate established in item 7.1 Art.7 of the Law.</p> <p>Income stipulated under this item is taxable at the time of payment at its own expense. The execution procedure for this item is established by the Cabinet of Ministers of Ukraine;</p>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
		<ul style="list-style-type: none"> <li>- insurance premium, insurance indemnity or pay-out amount, received by the taxpayer under insurance agreement from insurer-resident, other than long term life insurance or private pension insurance, if the following conditions are met:</li> <li>a) in case of taxpayer's life or health insurance the fact of damage to the insured must be proved accordingly. In case the insured dies, the insurance premium is taxable as a component of legacy in accordance with item 13.3 Article 13 of the Law;</li> <li>b) in case of property insurance, the insurance indemnity amount cannot exceed the insured property value, estimated in the prices of the date when the insurance agreement is signed plus the amount of paid insurance contributions (premiums), and must be directed for repair, renovation of the insured property or its replacement, following the procedures and timeframe envisaged in Art. 15 of this Law;</li> <li>c) when civil liability is insured, the amount of insurance indemnity cannot exceed the amount of damage actually caused to the beneficiary, which is estimated in regular prices as of the date of such insurance payment;</li> <li>- amount of insurance payment, insurance indemnity, pay-out amount, or their part received by taxpayer under the agreement of long-term life insurance or private pension insurance, identified in the order envisaged under sub-item 9.8.3 item 9.8 Art.9 of this Law;</li> <li>- procedure for application of subitems 4.3.32 – 4.3.33 of this item is established by the central executive body which controls non-banking financial institutions in accordance with the Law and with the approval of the Committee of the Verkhovna Rada of Ukraine which is in charge of these issues;</li> <li>- other income which under this Law are not included into the general monthly taxable income for other reasons.</li> <li>- proceeds from sale of agricultural produce grown (produced): on the land plots designated for individual farming provided that their size was not increased as a result if a plot received "in kind" (on the territory); on land plots designated for gardening and individual dacha construction.</li> </ul>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
<p>1.2. Enterprise profit tax</p>	<p>The Law of Ukraine of May 1997 came into effect on July 1, 1997; the latest changes came into effect as of 17.06.04.</p>	<p>Subjects of taxation are:</p> <ul style="list-style-type: none"> <li>(i) Ukrainian legal persons carrying out entrepreneur activity and international organizations doing business in Ukraine;</li> <li>(ii) independent affiliates, branches and other structural units of the above mentioned taxpayers;</li> <li>(iii) legal persons- nonresidents which do business in Ukraine and have their permanent representative offices;</li> <li>(iv) nonresidents foreign legal persons who repatriate income received from Ukrainian sources.</li> </ul> <p>The Law "On enterprise profit taxation" divided the systems of tax and financial accounting. Taxation base, namely, included proceeds from sale of goods and services, sale of assets (including non-tangible assets and securities), rent and royalty. Income and expenditures are accounted for on the accrual basis. The exceptions are transactions with non-residents who pay the tax at a privileged rate; in</p>	<p>The following units are not subject to this tax:</p> <ul style="list-style-type: none"> <li>(i) non-profit organizations, including local governments, pension funds, credit unions, religious organizations and charity funds; organizations working in the spheres of nature protection, healthcare, physical culture, arts, education, science; political parties, housing construction cooperatives in the area of such income; depending on the type of a non-profit organization:</li> <li>- funds or property received free of charge or as non-repayable financial assistance or voluntary contributions;</li> <li>- passive income;</li> <li>- funds or property received by such non-profit organizations as compensation for the received state services;</li> <li>- funds or property received by such non-profit organizations from their main activities;</li> <li>- funds received by credit unions and pension funds in the form of contributions to additional pension provision, or contributions for other need envisaged by the Law;</li> <li>(ii) companies selling baby food products;</li> </ul> <p>The following items are not included into gross income:</p> <ul style="list-style-type: none"> <li>(i) contributions to pension plans;</li> <li>(ii) certain types of joint investment;</li> <li>(iii) funds or assets received as international technical assistance;</li> </ul> <p>Losses can be carried forward for payment for an indefinite period.</p> <p>According to the amortization rules, all assets are divided into 4 groups. Assets in each group are unified and for the purpose of the amortization estimation the method of reduced balance is used. The amortization norms are established: group I – 1.25 percent; group II – 6.25 percent; group III – 3.75 percent; group IV – 15 percent. Amortization norms are raised 1.6 times for the fixed assets introduced since 01.01.04. It is temporarily allowed to use the method of accelerated amortization for 3 groups of fixed assets of the subjects involved in space activity.</p>

Most activities are taxed at a single 25 percent rate since 01.01.04.

Special rates:

Proceeds from insurance activity are taxed at a 3 percent rate.

Tax rates:

- (i) freight – 6 percent;
- (ii) nonresident income – 15 percent;
- (iii) debt instruments issued by residents – 25 percent;
- (iv) re-insurance premiums – 3 percent;
- (v) advertising – 20 percent;
- (vi) dividends – 25 percent.

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
	<p>such case the date of actual receipt of goods (services) is the date of gross expenditures increase. It is also envisaged that when repayable financial assistance is not repaid by the end of the reporting period when it was received from persons which are not subject to the tax (including non-residents), then its sum is included into recipient's gross income as "beyond sales" income. Excise duty is accounted for as gross income, and as gross expenditures after it is remitted to the budget. Profit and losses on the assets and liabilities in foreign currency are accounted for as of year end. The tax is accrued quarterly, and monthly advance payments have been eliminated.</p>	<p>Procedures for writing off bad debt require the taxpayer to apply to the court, wait for the bankruptcy procedure, or the taxpayer's death.</p> <p>Certain tax exemptions are given to: - enterprises and organizations of non-profit invalids' organizations;</p>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
<b>2. Contributions to social protection (payroll tax)</b>			
2.1 Pension fund <sup>1</sup> . The Mandatory State Pension Insurance Law, July 2003	Flat rate tax on wage bill of enterprises	There is a ceiling on contributions of 7 times average earnings but not less than current amount of UAH 4100.	Employer's contributions at 32 percent; Employee's contributions at 1 percent for incomes of less than Hryv 150, and 2 percent for incomes of more than Hryv 150.
2.2 The Fund of mandatory state social insurance for unemployment of Ukraine 1. The Law of Ukraine #1533-III of 02.03.2000 with changes and amendments; 2. the Law of Ukraine #2213-III of 11.01.2001 "On the contributions to certain types		Exemptions: (1) insured persons for the period of 3-year child care leave and for the period of 6-year child care leave for medical reasons; (2) insured persons regarding the received allowance on partial unemployment.	Employer's contributions at 1.9 percent; Employee's contributions at 0.5 percent.
2.3 Social Insurance Fund (Laws of April 9, 2004 No. 1688, January 18, 2001 No. 2240, Law of January 11, 2001 No. 2213-III)			Employer's contribution at 2.9 percent; Employee's contributions at 0.5 to 1 percent.
2.4. Industrial Accident Fund (Law of February 22, 2001 No 2272-III)			0.84 percent – 13.8 percent of the enterprise's payroll fund, depending on the level of labor hazard. 0.2 percent

<sup>1</sup> The authorities have not provided staff with the update on the changes introduced to the pension system effective 2004. The description draws upon the analysis conducted by the World Bank.

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
			is set for budgetary entities.
<b>3. Taxes on goods and services</b>			
3.1 Value added tax			
<p>(Law of April 3, 1997, enacted October 1, 1997; and numerous amendments)</p>	<p>Applies to turnover from the sale of goods (work, services), including barter operations, carried out by any legal persons and persons, when the overall amount from the operations of the delivery of goods (services), also using local or global computer network, subject to taxation in line with the Law, charged (paid, provided) to such a person or to the third parties, during the last calendar months in the aggregate form exceeds UAH 300 000 (excluding VAT).</p> <p>Also, the person engaged in the transactions of the sale of confiscated property, irrespective of whether this person achieves the overall volume of the operation of delivery of goods (services) in the amount of UAH 300 000 or not, irrespective of what taxation regime this person is applying in line</p>	<p>Zero-ratings:                      (i) export of goods and selected services;                      (v) sale of goods not subject to excises produced by enterprises or public organizations with disabled employees;                      (vi) certain services (i.e. replenishment of fuel and supplies for ships which carry out fishery and other activities in the extraterritorial waters of Ukraine)                      (vii) international technical assistance projects at Chornobyl nuclear power plant.</p> <p>Temporary zero-ratings:                      (iv) by January 1, 2006, the sale of unprocessed milk and meat to processing enterprises by agricultural manufacturers of all types of ownership;                      (iii) until January 1, 2005, the total amount of VAT to be paid to the budget by agricultural enterprises of all types of ownership for sale of milk, cattle, poultry, wool, dairy and meat products produced with the help of their own processing facilities shall remain at the disposal of these agricultural enterprises and shall be used to facilitate their own animal and poultry produce;</p> <p>Exemptions:                      (i) financial intermediation;                      (ii) baby food supplies;                      (iii) health care, some educational services, special goods for the disabled, medicines and medical supplies, services for disabled, sick and elderly;                      (v) imports by a broad range of charitable, cultural, religious and other</p>	20 percent

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
	<p>with the legislation, must register as the VAT taxpayer.</p> <p>The taxpayer is any person importing (for physical persons – bringing in (transferring) goods (attendant services) on to the customs territory of Ukraine for their use or consumption on the customs territory of Ukraine, irrespective of what taxation regime it applies in line with the legislation, except for physical persons not registered as the taxpayers bringing in (transferring) goods (items) in the concomitant freight, or receive them as a dispatch within non-tradable turnover in the volumes not subject to taxation according to the customs legislation (except for importing the transportation vehicles or spare parts to them by such physical persons) and non-residents, mailing as dispatch according to the regulations of the International Postal Union on to the customs territory of Ukraine, and recipients of such dispatch.</p>	<p>organizations;</p> <p>(vi) funeral services</p> <p>(vii) magazines, newspapers, notebooks, text books;</p> <p>(viii) output of firms employing the disabled;</p> <p>(x) goods and services supplied to institutions of the penal system in accordance with a list approved by the Cabinet of Ministers;</p> <p>(xi) research financed by the state budget;</p> <p>(xiii) postage stamps;</p> <p>(xiv) privatization sales;</p> <p>(xv) lottery tickets;</p> <p>(xvi) delivery of pensions;</p> <p>(xviii) public transportation (except for taxis) within a locality;</p> <p>(xix) privatization of state-owned and communal property, with a number of constraints introduced starting 2004;</p> <p>(xx) goods (work, services) used by diplomats;</p> <p>(xxi) unprocessed catch imported to Ukrainian seaports by fishing enterprises;</p> <p>(xxii) a set of other services (provided by libraries, etc);</p> <p>(xxiii) transit through the territory of Ukraine</p>	

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
	<p>In case of bringing in (sending) the goods (items) by physical persons not registered as this tax payers in the volumes exceeding non-trade turnover, subject to taxation, such persons shall pay VAT at the time of such goods (items) crossing the customs border of Ukraine without registration proceeding from the customs value of goods (items) exceeding the volume of non-trade turnover.</p> <p>Any person conducting or planning to conduct business activity may register as the VAT payer; there is a provision for voluntary registration.</p> <p>Taxation base for the delivery of goods (items) is determined proceeding from their contractual value, determined by open prices, but not lower than the standard/usual prices, taking into account excises, import duty, other national taxes and charges (mandatory payments) except for the VAT included into the price of goods (services) in line</p>		

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
	<p>with the legislation of Ukraine on taxation.</p> <p>Contractual value include any amount of funds, the cost tangible and non-tangible assets transferred to the taxpayer directly or through any third party in connection with the indemnification of the cost of goods (services).</p> <p>To improve the tax administration the Law envisages the sites (location) of the delivery of goods (services).</p> <p>The taxpayer must submit to the customer (buyer) two copies of the tax bill.</p> <p>The tax bill is drawn up at the moment of the accrual of tax liabilities of the seller in two copies. The original of tax bill is provided to the buyer, and the seller of goods (services) keeps the copy.</p> <p>The date of the emergence of tax liabilities for the supply of goods (work, services) is the date in the tax period during which any previous event takes place.</p>		

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
	<p>- or the date of entering the funds of the buyer (customer) on to the banking account of the taxpayer as the payment for goods (work, services) to be delivered, and in the case of the delivery of goods (work, services) for cash – the date of their valuation in the taxpayer’s cash register, and in the absence of such – the date of the cash collection in the banking institution servicing the taxpayer; or the date of the shipment of goods, and for work (services) – the date of the processing of documents testifying the fact of the performance of work (services) by the taxpayer.</p> <p>- The date of the emergence of the taxpayer’s right to the tax credit is the date of the first of the events:</p> <p>- either the date of the</p>		

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
	<p>writ-off the funds from the taxpayer's account for the payment for goods (work, services), date of the issuance of the respective account (commodity receipt) in case of settlements with the use of debit cards or commercial bills;</p> <p>- or the date of the receipt of the tax declaration confirming the fact of the purchase of goods (work, services) by the taxpayer.</p>		
<p>3.2 Excises</p>			
<p>(Law of December 24, 2002, Law 121 of February 12, 1998, Law 767/97 of December 23, 1997, Decree of the Cabinet of Ministers of Ukraine of Dec.26, 1992 No.18, laws of Nov.16, 1995 No.432, of Sept.15, 1995 No.329, of Feb.6, 1996 No.30, of May 7, 1996 No.178, of May 24, 1996 No.216, of Nov.11, 1996 No.313)</p>	<p>Tax on alcoholic beverages, ethyl alcohol, beer, tobacco, petroleum, diesel fuel, and transport vehicles.</p> <p>Excise taxes apply in all special economic zones, including free economic zones.</p> <p>Excises are imposed on imports from all countries including Russia and other CIS countries.</p>	<p>Exemptions include:</p> <p>(i) Exports;</p> <p>Not subject to excise:</p> <p>(i) cost and value of imported and confiscated on the territory of Ukraine of alcoholic beverages and tobacco goods, whose owner has not been identified, as well as those inherited by the state by through the right of inheritance;</p> <p>(ii) customs value of inputs used for the production of excisable goods;</p> <p>(iii) customs values of goods sent (brought) to the territory of Ukraine by natural persons within the limits set for the duty-free delivery of those goods.</p>	<p>Excisable goods rates:</p> <p>Cigars: Hrv 20/100 plus 8 percent tax on sales;</p> <p>Cigarettes: - filterless Hrv 5/1,000 plus 8 percent tax on sales - with filter Hrv 11,5/1,000 plus 8 percent tax on sales</p> <p>Tobacco: Hrv 10/kg plus 8 percent</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
			<p>tax on sales</p> <ul style="list-style-type: none"> <li>-Wine: Hrv 0.25/ 1 liter</li> <li>-Fortified wines: Hrv 0.50</li> <li>-Vermouth and other fermented beverages: Hrv 2.6/liter</li> <li>- Cognac: Hrv 6/1 liter</li> </ul> <p>Ethyl alcohol, vodka, strong spirits: Hrv 17 per liter of pure alcohol</p> <p>Ethyl alcohol: - used for production of cognac – Hrv 3 per liter - used by health institutions for medical diagnosis and treatment and laboratory research; for the production of explosives, perfumes, nitrocellulose, and semifinished products (alcohol-based juices, infusions) purchased by processing enterprises – Hrv 17 per liter of pure alcohol</p> <p>Beer: Hrv 0.27/liter</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
			<p>Imported wines: Wine – Hrv 3/liter Champagne and vermouth – Hrv 5/liter Products of wine distillation – Hrv 16/liter</p> <p>Motor petroleums A-72, 76, 80, 90, 91, 92, 93, 95, 96, 98 Euro 60/ton</p> <p>Motor petroleums A- 76ek, 80ek, 92ek, 93ek, 95ek, 98ek Euro 30/ton</p> <p>Diesel fuels Euro 30/ton</p> <p>Light distillates Euro 12/ton</p> <p>Aviation and jet fuel Euro 20/ton</p>
<b>4. Customs duty</b>			
<p>(Decree of the Cabinet of Ministers of Ukraine of Jan. 11, 1993 No.4, laws of February 5, 1992 No. 2097-XII, May 7, 1996, No.180/96, of April 5, 2001, No. 2371-III, September 10, 1999, No. 1033-XIY, October 24, 2002, No.216, .)</p>	<p>(a) Import tariffs</p>	<p>Exemptions: A list of tax privileges valid when clearing the goods through the Customs was approved by the Decree of the State Customs Committee #285, of May 17, 2000 (registration #374/45, of June 29, 2000 with the Ministry of Justice of Ukraine);</p>	<p>Ad valorem rates range from 0 percent to 70 percent with 30 percent for industrial goods and 70 percent for agricultural goods with a range of seven rate bands.</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
	<p>(b) Export tariffs                      (i) On cow hides and live animals.                      (ii) 17 percent on sunflower seeds with the accompanying ban on give-and-take materials.                      (iii) on scrap metal (€30 per ton).</p>		<p>Most favored nation tariffs range from 2 percent to 5 percent. There are 25 items (4-digit SITC) that are subject to a combination of specific and ad-valorem rates.</p> <p>The export duty on cattle with weight under 350 kg is 75 per cent of the customs value but not less than EUR 1,500 per ton; cattle with weight over 350 kg is 55 per cent but not less than EUR 540 per ton; sheep – 50 per cent (EUR 390 per ton); on cattle hides – 30 per cent (EUR 400 per ton); sheep hides – 30 per cent (EUR 1 per piece); and pig hides – 27 per cent (EUR 170 per ton).</p>
<p><b>5. Natural resource taxation</b></p>			
<p><i>Fee for the special use of forest resources and the use of forest land plots</i> (Forestry Code of Ukraine of 21.01.94 # 3852-XII (with changes and amendments), Resolution of the Cabinet of Ministers of Ukraine of 20.01.97 #44 “On the Approval of</p>	<p>Fees for the special use of forest resources and use of forest land plots are paid by legal and physical persons, determined by Article 9 of the Forestry Code of Ukraine to whom forest land plots</p>	<p>Council of Ministers of the Autonomous Republic of Crimea, oblast, cities of Kyiv and Sevastopol state administrations upon the presentation of the forestry state bodies may, within amounts coming into the budget of the Autonomous Republic of Crimea and local budgets, reduce the rates for timber depending upon the degree of depreciation/depletion/ loss of technical qualities</p>	<p>Rates/tariffs on forest timber sorts supplied for stubs are applied depending on the sort of timber, distribution of forests by forest tariff zones/belts and</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
<p>Rates/Tariffs on Forest Timber Sorts Supplied for Stubs and for Oleoresin ” (with changes and amendments), Resolution of the Cabinet of Ministers of Ukraine of 06.07.98 #1012 “On the Approval of the Procedure of Duty Assessment for the Special Use of Forest Resources and the Use of Forest Land Plots (with changes and amendments”))</p>	<p>have been granted for permanent or temporary use</p>		<p>categories (Hrv 0.2-157.6 per cubic meter</p>
<p>Royalties for use of natural mineral deposits (Code of Ukraine “On Mineral Depth” of 27.07.94 #132/94-VR, Resolution of the Cabinet of Ministers #1014, of September 12, 1997, “On the Approval of the Basic Tariffs for the Use of Mineral Deposits for Extraction of Mineral Resources” (with changes and amendments)</p>		<p>Exemptions from the royalties for the use of natural mineral deposits are given to:</p> <ol style="list-style-type: none"> <li>1) Landowners and land users extracting natural mineral resources from deposits or fields of local value to satisfy their own needs or use deposits for business and every-day needs on land plots given to them for possession or for use;</li> <li>2) deposits users – for conducting regional geological and geophysical works, geological surveys, other geological works;</li> <li>3) deposits users – when organizing geological items of natural reserve funds;</li> <li>4) deposits users – for geological prospecting within geological bend provided to them for the extraction of mineral resources;</li> <li>5) deposits users – state specialized sanatorium and spa institutions for children for the extraction of mineral water in the part used for medical treatment on their territory.</li> </ol>	<p>Rates of payments are determined for each kind of mineral resources (groups of mineral resources for similar use) as basic with their further differentiation depending on geological peculiarities and conditions of the deposits operation (Hrv 0.03 – 3.5/ton, Hrv/square cubic meter)</p>
<p><i>Royalty for geological prospecting work financed by the State Budget of Ukraine</i> (Code of Ukraine on Mineral Deposits 27.07.94 # 132/94-VR (with changes and amendments), Resolution of the Cabinet of Ministers of 29.01.99 # 115 “On the Approval of the Procedure for Determining Rates of Royalty for Geological Prospecting Work, Performed at the Expense of the</p>	<p>Payers of royalties for geological prospecting work are all mineral deposits users irrespective of their type of ownership, including enterprises with foreign investments, which are involved in extracting of natural mineral resource on the previously prospected deposits, and on the deposits</p>	<p>Royalty for the geological prospecting work shall not be assessed for the extraction of: previously liquidated deposits of mineral resources referred, in the process of deposits prospecting, according to the established procedure, to the category of lost in depth, hydrocarbon from non-profitable mines for prevention of gas-related explosions in residential areas of oil and gas producing regions; subsurface water not used in national economy, extraction of which is technologically compulsory because of the extraction of other mineral resources in the volumes agreed with respective bodies of state mining supervision, state geological control and nature environment protection; extracted from the nature depth to get rid of their pollution; extracted from depth to</p>	<p>Rates of royalty for geological prospecting work are determined for each separate sort of mineral resources or group of related in use mineral resources in Hryvnyas per each unit of output or discharged in depth of the mineral resources deposits ( Hrv</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
<p>State Budget, and its Assessment” (with changes and amendments)</p>	<p>located within the territory of Ukraine, its continental shelf and exclusive (sea) economic zone with the tentatively assessed deposits, which, upon the agreement of the interested deposits users have been given to them for industrial prospecting.</p>	<p>combat its destructive effect (flooding, saltiness, swamping, pollution, land sliding, etc)</p>	<p>0.005 – 20.5/ton)</p>
<p><b>6. Water tax</b></p>			
<p>(Water Code of Ukraine of 06.06.95; #213/95-VR (with changes and amendments); Resolution of the Cabinet of Ministers of Ukraine of 18.05.99 # 836 “On the Approval of the Royalty for Special Use of Water Resources for the Needs of Hydro Electric Power Generation Industry and Water Transport” (with changes and amendments), Resolution of the Cabinet of Ministers of Ukraine of 16.08.99 # 1494 “On the Approval of the Procedure for the Assessment of the Royalty for Special Use of Water Resources for the Needs of Hydro Electric Power Generation Industry and Water Transport” (with changes and amendments)</p>	<p>Royalty for the special use of water resources and fee for the use of water for the needs of hydro electric energy generating industry and water transport are paid by the enterprises, institutions and organizations irrespective of the forms of ownership, as well as citizens, agents of business activity using water resources and water for the needs of hydro electric energy generating industry and water transport</p>	<p>Brief list of exemptions: Duty is not charged for:</p> <ul style="list-style-type: none"> <li>- water used for drinking and sanitary and hygiene needs;</li> <li>- water used for anti-fire needs;</li> <li>- water used for the improvement of the territories of cities and other localities;</li> <li>- water used in mines for fighting against dust;</li> <li>- sea water, except for the water in estuaries;</li> <li>- water collected by scientific research institutions for research in rice growing and inter industry irrigation canals;</li> <li>- underground water extracted from depth for alleviation of harmful effects of water (pollution, flooding, saltiness, swamping, shifts, etc.);</li> <li>- water collected by enterprises and organizations to provide for the output of valuable breeds of fish for trade and other water living resources in natural water reservoirs and basins</li> </ul>	<p>Rates for the special use of water resources are determined separately for surface water (cop 4.04 – 20.16/cubic meter), underground water (cop 11.08-25.2/cubic meter);  Rates for the use of water for hydro electric power generation industry and water transport are determined separately for the needs of hydro electric power generation industry (cop 0.98 per 100 cubic meters of water flowing through turbines) and for water transport (cop 0.20 per place/d-day of operation; cop 1.75 per ton-day of operation)</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
<p>(Resolution of the Cabinet of Ministers of Ukraine #1494, of August 16, 1999).</p>	<p>Applies to industrial use of water (including hydroelectric power generating enterprises) and water transport enterprises.</p>	<p>Exemptions include:</p> <ul style="list-style-type: none"> <li>(i) water used for drinking and sanitary needs;</li> <li>(ii) underground water used in mineral processing;</li> <li>(iii) underground water extracted to correct harmful effects of water (pollution, flooding etc.)</li> <li>(iv) water flowing through turbines of water storage facilities at hydroelectric plants;</li> <li>(v) water used for fish and other water organisms breeding;</li> <li>(vi) water used for fire protection;</li> <li>(vii) water used to landscaping;</li> <li>(viii) water used for transfers by canals and aqueducts;</li> <li>(ix) seawater;</li> <li>(x) seagoing craft using river routes exclusively to reach a seaport at the mouth of a river;</li> <li>(xi) pilot, auxiliary, and towing fleets and water transport on the Danube;</li> <li>(xii) water used by scientific research institutions dealing with rice growing and rice seeds selection.</li> </ul>	<p>River basins: Between Hrv 0.00202 per cubic meter and Hrv 0.01008 per cubic meter, depending on the river basin.</p> <p>Underground water: Between Hrv 0.0043 per cubic meter and Hrv 0.0126 per cubic meter, depending on region.</p> <p>Hydroelectric power generation: Hrv 0.0098 per 100 cubic meters flowing through the turbines.</p> <p>Water transport: Hrv 0.020 per ton-day of service, depending on fleet type.</p>
<p><b>7. Local taxes and duties</b></p>			
<p>7.1. Land tax</p>			
<p>(Land Code of Ukraine of 25.10.01 # 2768-III (with changes and amendments, Law of September 19, 1996, and amendments)</p>	<p>Taxpayers are corporations and individuals who are tenants or users of the tracts of land.</p>	<p>Exemptions (short list of exemptions):</p> <ol style="list-style-type: none"> <li>1) nature preserves, history and culture, national parks;</li> <li>2) national research enterprise of scientific and research, and educational institutions of agricultural affiliation, and vocational schools;</li> <li>3) bodies of the state authority and of local government, budgetary institutions;</li> <li>4) institutions of culture, science, education, public health, sport, and social security, building used by them for their purposes;</li> <li>5) registered religious and charitable organizations not conducting</li> </ol>	<p>Rates of land tax for one hectare of agricultural land are determined as percentage of their money value in the following amounts:</p> <p>For arable land, hay-fields, and pastures 0.1 percent;</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
<p>Local taxes and duties include:  parking fee; market fee; apartment voucher fee; dog fee; resort tax; fees for races; fees for winning at races; fee for totalizator at races; advertising tax; use of local symbols tax; fee for movie and TV shooting; lotteries; communal tax; fee for permits for trade outlets (Decree of the Cabinet of Ministers of Ukraine "On Local Taxes and Duties" of 20.05.93 #56-93</p>	<p>Legal and physical persons entitled to pay taxes and duties by the legislation of Ukraine are payers of local taxes and duties</p>	<p>business activity;  6) lands polluted by radiation and chemicals;  7) group 1 and 2 disabled persons, pensioners, war veterans, victims of the Chernobyl disaster, citizens having three or more children;  8) enterprises – by sectors (partially – until 2008)</p>	<p>For perennial plantings 0.03 percent.  For population centers: 1 percent of monetary value (if no monetary valuation is established, then the average tax rate varies from 1.5 to 63 kopeks per square meter)  For lands of industrial, transportation, communications, and other designations, except for the plots of land: 5 percent from monetary value of the unit of arable land in the oblast</p>
		<p>The Supreme Council of the Crimean Autonomous Republic, regional, municipal and village councils can grant tax privileges and temporary exemptions within the amounts of tax receipts transferred to their budgets. (The Law of Ukraine "On Tax System" #1251-XII, of June 25, 1991). Local self-government bodies, within the terms of their reference, have the right to implement preferential tax rates, completely eliminate certain local taxes and duties or exempt from their payment certain categories of taxpayers and provide deferrals regarding the payment of local taxes and duties (Decree of the Cabinet of Ministers of Ukraine "On Local Taxes and Duties")</p>	<p>Local tax and duty rates are determined by the Cabinet of Ministers of Ukraine "On Local Taxes and Duties".  Local self-government bodies independently determine the procedure for the payment of local taxes and duties according to the list and within the determined ceilings.</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
<p>7.2 Tax on vehicles and other self-propelled machines and vehicles (The Law # 1963-XII of 11.12.91 with changes introduced by the Law of Ukraine "On State Budget of Ukraine and other Legislative Acts of Ukraine" of 25.03.05 # 2505-IV)</p>	<p>Tax on vehicles and other self-propelled machines and mechanisms.</p>	<p>Exemptions:                      1) Chornobyl victims, war veterans, veterans of labor, elderly and invalids for one vehicle;                      2) Reduced by 50 percent - agricultural enterprises –manufacturers – for wheeled tractors, buses and special purpose automobiles for the transportation of people with less than 10 seats;                      3) Tax rates reduced by 50 percent shall be applied to physical persons - owners of automobiles (volume of engine cylinder up to 6001 cc) which had been manufactured and registered in Ukraine before 1990 exclusively</p>	<p>Tax rates (Per 100 cc)                      Tractors: Hrv 2,5                      Movers with seats – Hrv 15                      Vehicles for at least 10 people: Hrv 5                      Cars/automobiles : Hrv 3–40                      Cargo vehicles: Hrv 15-25                      Motorcycles: Hrv 3-10                      Electric vehicles: Hrv 0.5 per 1kW                      Yachts and sailboats: Hrv 7-14 per 1 cm of length</p>
<p>7.3 Miscellaneous local taxes and duties</p>	<p>There are local and/or municipal taxes on:                      (i) advertising;                      (ii) the use of local symbols;                      (iii) dogs;                      (iv) hotels;</p>	<p>The Supreme Council of the Crimean Autonomous Republic, regional, municipal and village councils can grant tax privileges and temporary exemptions only within the amounts of tax receipts transferred to their budgets. (The Law of Ukraine "On Tax System" #1251-XII, of June 25, 1991).</p>	<p>Various rates set by local councils in the limits established by the Supreme Rada of Ukraine</p>

Tax	Nature of Tax	Exemptions and Deductions	Tax Rates
	(v) apartments; (vi) resorts; (vii) transit; (viii) market fees; (ix) lottery tax; (x) kiosks; (xi) film shooting; (xii) race tracks; and (xiii) communal tax.		

Source: Ministry of Finance

