



Executive Body of the Kyiv City Council
(Kyiv City State Administration)



City of Kyiv Annual Report 2017



Coat of Arms of the City of Kyiv



Official Anthem

How Can One not Love You, My Dear Kyiv

Lyrics: Dmytro Lutsenko

Music: Ihor Shamo

Green waters are playing the waves in quiet sunset,
Falling in love with the banks of Dnipro,
Where lovely dreams sway in the trees...
How can one not love you, my dear Kyiv!

Velvety evening, windfall is bliss...
How can one not love you, my dear Kyiv!

I will pour my heart inside canna flowers,
Let `em tell my loving how truly I love her.
I will dream and live on wings of hope...
How can one not love you, my dear Kyiv!

Tired city is sleeping, quite and gentle in peace,
Lights blossom like necklace above Dnipro.
Twilight is glowing in velvet like the surf of the bliss...
How can one not love you, my dear Kyiv!

Twilight is glowing in velvet like the surf of the bliss...
How can one not love you, my dear Kyiv!



**Klitschko, Vitalii
Volodymyrovych**
Mayor of Kyiv

27 July 2018

Dear Friends,

I am delighted to present to you the fourth comprehensive Annual Report of the City of Kyiv prepared by the Kyiv City State Administration based on the City's performance for the year 2017. Its goal is to update the City's community and other stakeholders on our social and economic progress and the City's financial performance.

In 2017, the City of Kyiv cemented its leading positions among Ukrainian cities in terms of economic development by demonstrating a growth in Gross Regional Product (GRP) by 3% to UAH 702.7 billion, which made up 23.6% of the country's GDP.

Kyiv is an undisputable leader among cities of Ukraine in attracting investments. In 2017, international rating agency of Moody's increased the credit rating of Kyiv from Ca to Caa3, with the rating forecast changed from stable to positive.

Direct investments make 59% of the volume of direct foreign investments into the economy of Ukraine.

In 2017, the procurements made through the system of electronic purchases ProZorro ensured savings in the amount of UAH 1.9 billion.

In 2017, Kyiv's City revenues increased by 26% (up to UAH 48.8 billion), which allowed us to increase the expenditures to education (+43%), health care (+22%), transport and road facilities (+185%), social security (+69%), and housing and utilities (+25%).

We continue working on involvement of the City's residents into its development. To implement the ideas of Kyivans, in 2017, we allocated to the public budget UAH 50 million to be spent on development projects of the capital city and implemented 57 projects of 62. For the year 2018, the public budget is expected to amount to UAH 100 million.

During 2017, we repaired 302 km of roads and renovated 120 parks and public gardens. To develop the effective education system, we created 1,740 study places in schools and reduced the queues in kindergartens to 4,700 places. And to ensure qualitative services in the health care sphere, we renovated 3 medical institutions and overhauled premises and departments in 8 medical institutions. The number of users of the online doctor appointment system of eHealth increased in 2017 to over 400 thousand of Kyivans.

For the travelling convenience of residents and guests of the City, we gradually renew the public transport fleet with modern trolley-buses, buses, and trams and modernize metro carriages.

In 2017, Kyiv hosted at the highest level the Eurovision contest which received an outstanding feedback from the contest organizers and the European Broadcasting Union. And we have also done a considerable work on preparation to another event of the Europe-wide scale – UEFA Champions League Finals 2018.

Kyiv is the European city that progressively changes and develops.

I would like to thank the KCSA team, the capital's community, and active citizens for their contribution to the development of our City.

Let us change Kyiv together!

Vitalii Klitschko, Mayor of Kyiv



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Important notices:

- Figures in this document are presented in accordance with international financial standards: UAH 123,456.78 shall mean one hundred twenty three thousand four hundred fifty six Ukrainian Hryvnias 78 Kopyikas.
- Calculation results may be presented with the use of rounding.
- The financial data of structural units of the Executive Body of the KCC (the KCSA), departments, budget institutions, municipal entities, and other companies controlled by the city of Kyiv are presented in accordance with Ukrainian Accounting Standards. The financial information provided in Section 7 may differ from certain financial information in Sections 1–6 due to consolidation and IPSAS adjustments.



1. Key Facts about Kyiv



Key Facts about Kyiv

Kyiv is a dynamic European capital, the largest economic, scientific, educational and cultural center of Ukraine, embodying modern world trends of social development and the latest technologies, a city of numerous opportunities with comfortable conditions for doing business and for living

UAH 239.8 thousand of Gross Regional Product (GRP) per City resident¹

USD 7,998/City resident of cumulative foreign direct investments²

UAH 11,135/month of average monthly salary



3,566 cultural heritage sites

2 UNESCO Heritage sites

56 education institutions in culture and arts

100 higher educational institutions

305 organizations that carried out research and development⁵

371 thousand students in the City's higher educational institutions

443.7 thousand scientists and researchers⁶

2 international airports

2 railroad stations

4,111 thousand tourists, including **1,611 thousand** from abroad³

2,893.2 thousand persons of resident population



6.6 thousand ha of green spaces in public use

6.7 thousand ha of water surface area⁴

14.4 thousand ha of nature reserve fund lands



60 head offices of banks and **208** of insurance companies⁷

1.8 million sq. m of offered office space⁸

1.2 million sq. m of offered shopping space, including retail and entertainment centers

Kyiv's Credit Ratings

Leading rating agencies have improved the City's credit ratings⁹

S&P Global Ratings

B-

Outlook
Stable

Moody's

Caa3

Outlook
Positive

Fitch Ratings

B-

Outlook
Stable



On 1 September 2017, the rating of the city of Kyiv assigned by Moody's was revised upwards.

¹ Estimated data cumulative result on 31.12.2017

² Indicator for the period of 1991–2017

³ According to the data of the State Border Service and reporting # 1-CMA

⁴ Including the waters of the Dnipro River within the City boundaries

⁵ 2015

⁶ 2016

⁷ Data according to official registration addresses

⁸ According to the data of DTZ Property Times Ukraine and Colliers Real Estate Market Overview

⁹ As of 31 March 2018. Source: Cbonds, Moody's Investors' Service, S&P Global Ratings, Fitch Ratings



2. Key Findings of the Annual Report



Key Findings of the Annual Report

General information about the Kyiv City State Administration



The KCSA operations are based on the pillars of legality, personal responsibility, and the balance between country-wide interests and interests of Kyiv's community.



In 2017, the executive body of the Kyiv City Council (the KCSA) was structured as follows¹:

- KCSA Executive Office;
- 22 departments;
- 4 divisions (1 inspection);
- Child and Family Service;
- Kyiv's City Public Archive.



Management of the KCSA is represented by the Mayor of Kyiv and his six deputy Mayors.



Total headcount of the executive body of the Kyiv City Council (the KCSA) was approved at 1,954 employees (Resolution of the KSC # 741/741 dated 25 December 2014)



In 2017, average annual costs per staffing position at the KCSA amounted to UAH 31 thousand.

Strategy and social and economic development of the city of Kyiv in 2017



The Kyiv's City Development Strategy until 2025 is pursued across three priorities of the City's development aimed at:

- Increasing the level of competitive ability of Kyiv's economy;
- Improving the comfort of life of Kyiv's residents;
- Preserving the historical identity and developing cultural projects in Kyiv.



Within the 2025 Strategy for 2017:

- Nominal GRP of Kyiv increased by UAH 143.6 million (+26%) to UAH 702.7 million;
- Real GRP, according to the preliminary data, increased by 3.0% against the prior year;
- Index of the Comfort of Life (an integrated indicator on the basis of 21 indices from the 2025 Strategy) reached the value of 123 against the baseline value of 100 for 2009 (the target value for 2025 is 191);
- 114% was the execution figure of planned funding for municipal special purpose programs developed with the aim of fulfilling the Kyiv's City Development Strategy until 2025.



Of the target indicators of the 2025 Strategy, the levels of execution against the target indicators for 2017 were as follows:

- 64 indicators: a high level;
- 74 indicators: a medium level;
- 61 indicators: a low level.

Kyiv's City budget execution in 2017



Kyiv's City budget revenues grew by 26% to UAH 48.8 billion (the plan's execution level of 102%):

- Own revenues (net of subventions and subsidies) grew by 21% – to UAH 35.7 billion (103% of the plan) due to the increased proceeds from personal income taxes, property taxes, and single tax proceeds;
- Transfers from the state budget increased by 39% – to UAH 14 billion (99% of the plan).



Expenditures grew by 48% to UAH 49.5 billion (96% of the plan), including:

- Municipal expenditures of General and Special funds grew by 47% to UAH 49.2 billion (96% of the plan) due to the increased expenditures to health care, construction, culture, social care and security;
- Inter-budget transfers from the Kyiv's City budget grew to UAH 266 million.



The budget deficit for 2017 was about UAH 756 million (in 2016, the surplus was UAH 5.1 billion).

Local debt remained almost unchanged at the level of UAH 2.8 billion.

Kyiv's City financial and economic performance in 2017



In accordance with the consolidated financial statements of municipal entities and budget institutions of the city of Kyiv:



Total assets as of 31 December 2017 grew from UAH 100.9 billion to UAH 123.8 billion, including:

- Property, plant, and equipment amounted to UAH 94.3 billion (prior year: UAH 75.3 billion);
- Inventories amounted to UAH 11.3 billion (prior year: UAH 9.6 billion);
- Borrowings amounted to UAH 19.1 billion (prior year: UAH 18.8 billion).

Net assets increased from UAH 61.5 billion to UAH 79.5 billion.



Total revenues amounted to UAH 74.1 billion (2016: UAH 55.1 billion).

Total operating expenses amounted to UAH 67.9 billion (2016: UAH 44.3 billion).

Surplus for the reporting period amounted to UAH 4.9 billion (2016: UAH 8.1 billion).

¹ According to Resolution of the Executive Body of the Kyiv City Council (the Kyiv City State Administration) # 97 dated 9 March 2014 "On the Temporary Distribution of Duties ..." (as subsequently amended and supplemented on 17 February 2018)
Source: KCSA



3. General Information about the Kyiv City State Administration



Summary of Rules of the Kyiv City State Administration

Kyiv City State Administration is represented by the executive body of the Kyiv City Council, which also performs the functions of the public executive authority. This is a specific feature of the executive government in Kyiv.

Fundamental organizational principles of the activities performed by the executive body of the Kyiv City Council (i.e. the Kyiv City State Administration), its Executive Office, and departments are determined by:



- The Law of Ukraine "On the Hero City of Kyiv, the Capital of Ukraine";
- The Law of Ukraine "On Local Self-Government in Ukraine";
- The Law of Ukraine "On Local State Administrations";
- Regulations on structural units of the executive body of the Kyiv City Council (the Kyiv City State Administration);
- Resolutions of the Kyiv City Council;
- Administrative orders of the Mayor of Kyiv, the executive body of the Kyiv City Council (the Kyiv City State Administration);
- The Rules of Procedure of the executive body of the Kyiv City Council (the Kyiv City State Administration).

Activities of the executive body of the Kyiv City Council (the Kyiv City State Administration) are based on:



- Rule of law;
- Personal responsibility;
- A combination of national interests and interests of the territorial community of Kyiv.

The executive body of the Kyiv City Council (the Kyiv City State Administration) is accountable and subordinate to the Kyiv City Council on the matters within the jurisdiction of local self-government, also is accountable and subordinate to the Cabinet of Ministers of Ukraine on the matters concerning the implementation of the executive branch's authority.

Activities of the executive body of the Kyiv City Council (the Kyiv City State Administration), its Executive Office, and other structural units are transparent, except for consideration of the issues which contain special restricted information.

The structure and headcount of the executive body of the Kyiv City Council (the Kyiv City State Administration) and costs for its maintenance are approved by the Kyiv City Council.

The executive body of the Kyiv City Council (the Kyiv City State Administration) informs the public about its activities and involves the public in preparation and consideration of the issues within its competence.

Activities of the executive body of the Kyiv City Council (the Kyiv City State Administration) are based on the perspective (annual), current (quarterly), and, if required, operating (monthly) plans approved by the Mayor as advised by the Head of the Executive Office of the executive body of Kyiv City Council (the Kyiv City State Administration).



The contents of reports are determined by the issues within competences of the executive body of the Kyiv City Council (the Kyiv City State Administration) and its structural units.

The report of the executive body of the Kyiv City Council (the Kyiv City State Administration) is published on the Kyiv City State Administration's official website (i.e. general web portal of the territorial community of Kyiv) and in municipal mass media.



Structure and Composition of the Kyiv City Council

The Kyiv City Council is the legislative branch of the Kyiv's City authorities.

Sessions held	2016: 29		2017: 33																
Decisions made	2016: 1,753		2017: 2,200																
				<table><tr><td></td><td>2016</td><td>2017</td></tr><tr><td>Urban planning and land use issues</td><td>1,246</td><td>1,698</td></tr><tr><td>General and miscellaneous issues</td><td>312</td><td>338</td></tr><tr><td>Property matters</td><td>124</td><td>103</td></tr><tr><td>Urgent matters</td><td>71</td><td>61</td></tr></table>		2016	2017	Urban planning and land use issues	1,246	1,698	General and miscellaneous issues	312	338	Property matters	124	103	Urgent matters	71	61
	2016	2017																	
Urban planning and land use issues	1,246	1,698																	
General and miscellaneous issues	312	338																	
Property matters	124	103																	
Urgent matters	71	61																	

Factions of the Council [persons]

Total number of deputies – 120



Andrii Strannikov



Serhii Husovskyi



Volodymyr Bondarenko



Oleksandr Omelchenko



Yuri Syrotyuk



Petro Poroshenko Bloc "Solidarnist"

Union "Samopomich"

All-Ukrainian Union "Batkivshchyna"

Ukrainian Party "Yednist"

All-Ukrainian Union "Svoboda"

In 2017, there were 13 permanent commissions operating at the Kyiv City Council

The number of meetings per commission in

	2016	2017
• Budget and socio-economic development	49	49
• Property	32	38
• Adhering to the rule of law, law and order and preventing corruption	28	24
• Environmental policy	25	24
• Housing and utilities, and fuel and energy	31	29
• Urban planning, architecture, and land use	32	29
• Local self-government, regional and international relations	33	25
• Health care and social protection	20	20
• Internal procedures of the KCC and ethics of deputies	25	20
• Trade, entrepreneurship, and regulatory policies	28	18
• Education, science, family, youth, and sports	27	24
• Transport, communication, and advertising	24	23
• Culture, tourism, and information policies	31	24

Also in 2017 year function commission on the renewal rights of rehabilitated persons (1 meeting was held)

Permanent KCC commissions consist of elected Council members and are formed for studying, preliminary consideration, and elaboration of the issues within the Council's jurisdiction as well as overseeing the implementation of decisions made by the Council and its executive bodies.

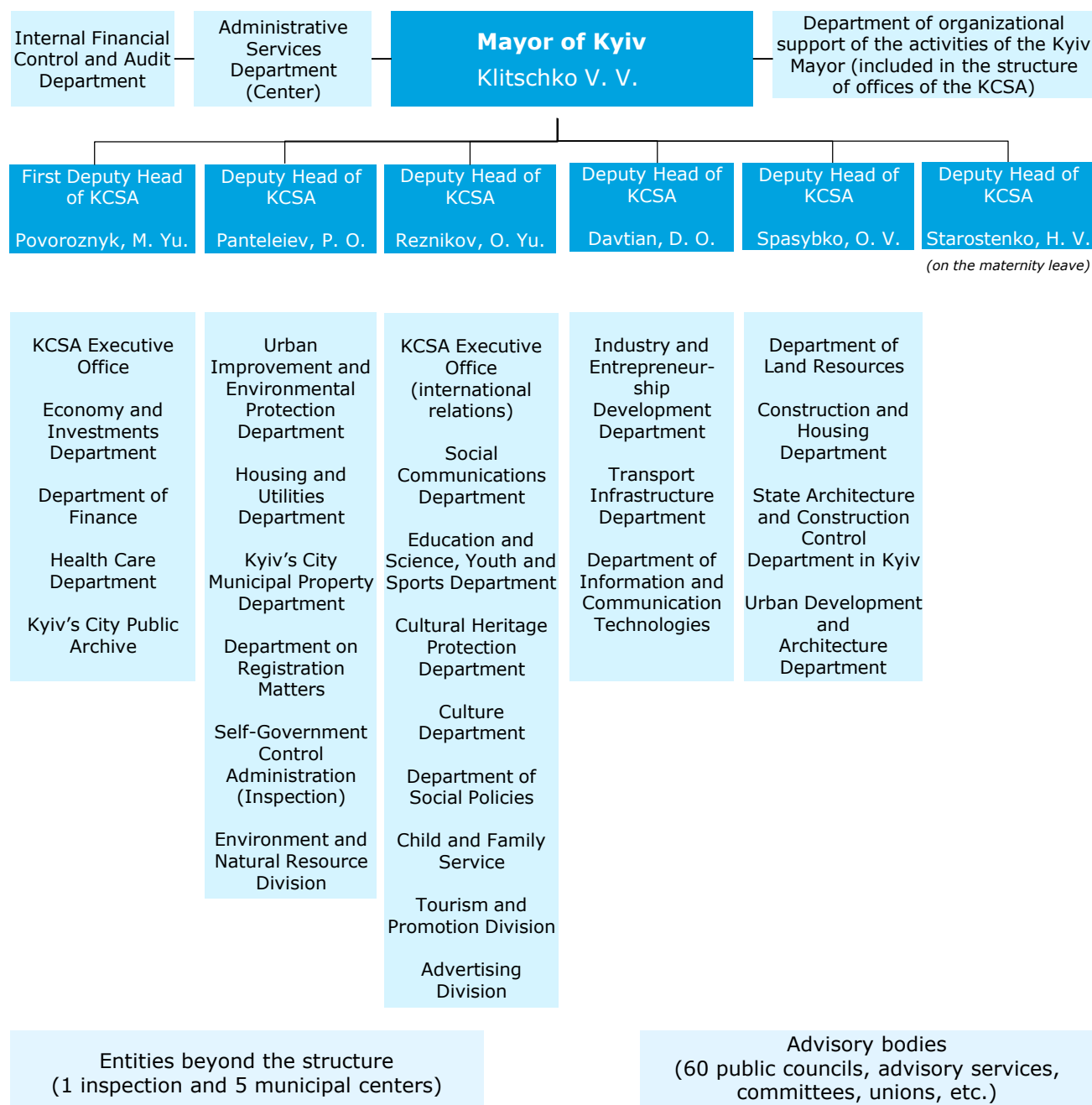
Source: KCSA



Structure of the Kyiv City State Administration

Included in the executive body of the Kyiv City Council (the Kyiv City State Administration) in 2017 were 28 structural units, in particular:

- Executive Office
- 22 departments¹
- 4 divisions (1 inspection)¹
- Child and Family Service
- Kyiv's City Public Archive



¹ Pursuant to Resolution of the Executive Body of the Kyiv City Council (the Kyiv City State Administration) # 97 dated 3 September 2014 "On Temporary Distribution of Duties among the Mayor of Kyiv, First Deputy Head of the Kyiv City State Administration, Deputy Heads of the Kyiv City State Administration, and Head of the Executive Office of the Executive Body of the Kyiv City Council (the Kyiv City State Administration)" (as subsequently amended and complemented on 27 February 2018)

² During 2017, decisions were taken on the creation of new structural units within the executive body of the KCC (the KCSA): Resolution # 857/857 dated 28 July 2016 – Advertising Division (operating from 23 May 2017, Code 41348526); Resolution of the KCC # 544/1548 dated 8 December 2016 – Environment and Natural Resource Division (operating from 20 December 2017), and Tourism and Promotion Division (operating from 1 August 2017, Code 41492529).



Management of the Kyiv City State Administration

Klitschko, Vitalii Volodymyrovych, the Mayor of Kyiv

Elected in May 2014



Education:

- Pereiaslav-Khmelnytskyi Hryhorii Skovoroda State Pedagogical University;
- National Academy for Public Administration under the President of Ukraine, Master of Science in Management of Public Development.

Professional background:

- Mayor of Kyiv;
- People's Deputy of Ukraine in the 7th convocation;
- Deputy of the Kyiv City Council;
- Co-founder of Charitable Organization "Klitschko Foundation";
- World Boxing Champion certified by the WBC (World Boxing Council).

Key responsibilities:

- Manage the KCSA activities;
- Represent the KCSA in affairs with central executive authorities and political parties;
- Control the provision of financing to municipal entities, institutions, and organizations of Kyiv;
- Control the development, arrangement, and implementation of industry and local programs, as well programs on economic and social development of Kyiv;
- Coordinate efforts to construct facilities of significant importance in relevant industries of the City.

Extract from declaration on properties, income and expense, and financial obligations for 2017

Total gross income

Salary at primary employment	Royalty	Gifts	Interest income
UAH 186.7 thousand	UAH 4,942 thousand	UAH 11.6 thousand	UAH 212

Information about vehicles

Motorcycle A Fine Custom, Puncher 8.125-4	Land Rover Discovery 3.0, 2013	Bicycles, 9 units
Trailer Ironhorse Widebody, 2013	Toyota Sequoia, 2014	

Information about immovable properties

Apartment	Land plot	Residential house
251.8 m ²	2,500 m ²	785.5 m ²

Bank deposits, securities, and other assets

Funds granted to third parties	Held on bank accounts	Cash funds
EUR 8,394 thousand USD 697.7 thousand	UAH 130.4 thousand EUR 1 thousand USD 1.3 thousand	USD 18.1 thousand EUR 29.5 thousand

Civil servant Family members



Management of the Kyiv City State Administration

Povoroznyk, Mykola Yuriiiovych, First Deputy Head of the KCSA

Appointed in December 2017



Education:

- Kyiv Military Institute of Control and Communication, degree in electronic engineering;
- National Academy for Public Administration under the President of Ukraine, Master in Public Administration.

Professional background:

- First Deputy Head of the Kyiv City State Administration;
- Director of Economy and Investment Department of the executive body of the KCC (the KCSA);
- Head of Regulatory Policy and Permits Office at Department of Industry and Entrepreneurship Development of the KCSA;
- Head of the KCSA's Regulatory Policy Implementation and Entrepreneurship Development Office;
- Deputy Head of Licensing and Registration Department, the KCSA's Main Office of Entrepreneurship Development.

Key responsibilities:

- Realize the state policy in the field of budget and finance, planning and accounting, and tax policy;
- Realize the state policy in the field of complete socio-economic development of territories;
- Implement the state pricing policies in the manner and within the limits determined by law;
- Attract foreign investments for the development of economic potential of the City;
- Implement the state policy in the field of health care;
- Coordinate the work of public health institutions referring to the communal property of the City's community;
- Coordinate the activities of deputy heads of the KSCA, heads of departments, departments, divisions, other structural units of the executive body of the KSC (the KCSA);
- Coordinate and control the activities of district administrations in Kyiv;
- Fulfill the duties of the Kyiv mayor as the head of the KCSA in case of his absence.

Extract from declaration on properties, income and expense, and financial obligations for 2017

Total gross income		
Salary at primary employment	Alienation of securities and corporate rights	Interest income
UAH 600 thousand	UAH 1,597.3 thousand	UAH 1.1 thousand

Information about vehicles		
Motorcycle BMW K 1200 R, 2006	Volvo V-40, 2013	Moskvich M-412, 1990

Information about immovable properties				
Land plot	Construction in progress	Land plot	Residential house	Apartments
1,000 m ² 1,000 m ²	47.6 m ² 42.2 m ²	1,496 m ²	193 m ²	43.4 m ² 86.1 m ²

Bank deposits, securities, and other assets	
Held on bank accounts	Cash funds
UAH 1,048 thousand	UAH 510 thousand

Civil servant Family members



Management of the Kyiv City State Administration

Davtian, Dmytro Oleksandrovych, Deputy Head of KCSA

Appointed in September 2017



Education:

- V. N. Karazin Kharkiv National University, Master in Finance.

Professional background:

- Deputy Head of the Kyiv City State Administration;
- First Deputy Head of Zaporizka Region State Administration;
- Director of LLC "Investment Group DAD";
- Head of the Department of European Integration and Investment Policy of the State Administration of Railway Transport of Ukraine;
- Apprentice manager of sales department of OJSC "Hotel "Kharkiv".

Key responsibilities:

- Ensure the implementation of the KCSA's authorities in the sphere of transport and communication; in the area of information, telecommunication system and technologies development, e-government, data protection;
- Create and use regional electronic information resources, develop the information society in the territory of Kyiv; in the sphere of promoting entrepreneurship development and realizing the state regulatory policies; in the area of household and retail servicing, as well as public catering;
- Coordinate and control the activities of Desnianska and Dniprovska District State Administrations;
- Communicate with the Kyiv Chamber of Commerce;
- Coordinate and control the activities of directly subordinate structural units: Department of Transport Infrastructure, Department of Information and Communication Technologies; Department of Industry and Entrepreneurship Development.

Extract from declaration on properties, income and expense, and financial obligations for 2017

Total gross income

Salary at primary employment Alienation of property Lease of properties Insurance payments and gifts Government financial aid



UAH 168 thousand



UAH 2,144 thousand



UAH 600 thousand



UAH 117 thousand



UAH 20 thousand

Information about vehicles

Mercedes-Benz, V250, 2014



Toyota, Land Cruiser 200, 2017



Porsche, Panamera 4S, 2011

Mercedes-Benz, G500, 2010

Information about immovable properties

Rented residential house



365.8 m²

Apartments



363.7 m²

Non-residential premises



648.4 m²

Apartment constructed garage



174.6 m²

Partially constructed garage



39.6 m²

Bank deposits, securities, and other assets

Cash funds



UAH 1,955 thousand
USD 1,067 thousand
EUR 2,094 thousand
GBP 2 thousand

Loans to third parties



UAH 635 thousand
EUR 221 thousand

Held on bank accounts



UAH 12,972 thousand
EUR 2,500 thousand

UAH 3 thousand



UAH 7 thousand



○ Civil servant ○ Family members



Management of the Kyiv City State Administration

Panteleiev, Petro Oleksandrovych, Deputy Head of the KCSA

Appointed in September 2014



Education:

- Kyiv State Technical University of Construction and Architecture, degree in Supply of Heat and Gas, Air Pollution Control, Civil engineer.

Professional background:

- Deputy Head of the Kyiv City State Administration;
- Head of Shevchenkivska District State Administration;
- Head of one of departments in the executive body of the KCC (the KCSA) (was in charge of development of the City's housing and utility facilities);
- Career from the Chief Engineer of Housing and Public Service Office to the Deputy Head of Shevchenkivska District State Administration in the city of Kyiv.

Key responsibilities:

- Oversee the development and modernization of the Kyiv's City housing and utility assets;
- Coordinate the implementation of state policies in housing and utilities service in the city of Kyiv, supervise the compliance with the quality of services, ensure for rights and interests of residents in housing and utility services;
- Facilitate the development and implementation of programs in energy efficiency improvement of residential properties, infrastructure assets, budget institutions, etc.;
- Facilitate the implementation of public amenities and greenery planting programs, coordinate the execution of environmental policies;
- Coordinate the implementation of labor protection policies, civil protection, emergency prevention, and rescue services;
- Coordinate the activities of Sviatoshynska and Solomianska District State Administrations.

Extract from declaration on properties, income and expense, and financial obligations for 2017

Total gross income		Information about vehicles	
Salary at primary employment	Government financial aid	Volkswagen Touareg, 2010	
UAH 525 thousand	UAH 56.4 thousand		
Information about immovable properties		Bank deposits, securities, and other assets	
Apartment	Apartment	Cash funds	Cash funds
61.1 m ²	23.5 m ²	UAH 170 thousand	USD 10 thousand
	20.5 m ²		EUR 3 thousand

Civil servant Family members



Management of the Kyiv City State Administration

Reznikov, Oleksii Yuriiiovych, Deputy Head of the KCSA

Appointed in March 2016



Education:

- Ivan Franko Lviv State University, Degree in law;
- Honorary title: Honored Lawyer of Ukraine.

Professional background:

- Deputy Head of the Kyiv City State Administration on realization of local government authorities;
- Deputy Mayor – Secretary of the Kyiv City Council;
- Advisor to the Kyiv City Mayor on implementation of local-government reforms;
- Member of the Target Group on Reforms at the Ministry of Regional Development, Construction, Housing and Utility Services of Ukraine;
- Deputy of the Kyiv City Council of the 6th and 7th convocations;
- Lawyer and partner at JSC “Magisters”;
- Professor of Public Law at the International Solomon University;
- Partner of LF “Magister & Partners”;
- Deputy Chairperson of the Ukrainian Legislation Development Center.

Key responsibilities:

- Prepare proposals on reforming the branches of economy, ensure the implementation of local self-government, and make suggestions for improving the legislation in the sphere of decentralization;
- Propose on creating conditions for stimulating urban development and public space;
- Analyze social and political developments in the city of Kyiv;
- Undertake measure on the development of information environment and information infrastructure;
- Create favorable conditions for development of tourism industry and expand international cooperation in the sphere of tourism;
- Coordinate the preparation and realization of international events such as: Eurovision Song Contest;
- Coordinate efforts in regulating the advertising sector;
- Coordinate and monitor activities of the following departments: Public Communication Department, Department of Culture, Department of Science and Education, Youth and Sports, Department of Social Policies, Advertising Department, Department of Tourism and Promotions, Department of Cultural Heritage Protection, Service for Children and Family Affairs, Executive Office of the KCSA (in terms of international relations).

Extract from declaration on properties, income and expense, and financial obligations for 2017

Total gross income

Salary at primary employment



UAH 506.4 thousand

Information about vehicles

Trailer
TIKI-TREILER
B-300P, 2009



AUDI A8,
2012;
Volkswagen
Amarok,
2009



Quad-runner
Kawasaki
BRUTE FORCE
ATV, 2009



Buggy
Kawasaki
TERYX UTV,
2010



Information about immovable properties

Land plots

Apartments



11.1 thousand m²



271 m²

Bank deposits, securities, and other assets

Contributions to charter capitals
of entities and financial
construction fund



UAH 142.1
thousand

Cash funds



EUR 438
thousand



Management of the Kyiv City State Administration

Spasybko, Oleksandr Valeriiovych, Deputy Head of the KCSA

Appointed in January 2016



Education:

- Taras Shevchenko National University of Kyiv, Teacher of History;
- Taras Shevchenko National University of Kyiv, Degree in Law;
- Kyiv National University of Construction and Architecture, Engineer-Builder.

Professional background:

- Deputy Head of the Kyiv City State Administration;
- Director of the KCSA's Construction and Housing Department;
- Assistant to the Head of the KCSA's Analytical and Administrative Office;
- Director of LLC "Yaroslaviv Val";
- Legal counsel of OJSC "State Joint Stock Company "Automobile Roads of Ukraine";
- Legal counsel of LLC "Autolux-Service";
- Leading specialist in managing sales of conversion property in Corporation "Ukrinmash".

Key responsibilities:

- Ensure the implementation of state policies on land relationships, urban development, and architecture;
- Initiate development, regulatory submission, and implementation of the General Plan for Kyiv and other urban development documentation, supervise the compliance with the legislation in the sphere of urban development and architecture, state standards, rules, and procedures;
- Submit proposals to the Kyiv City Council and undertake to enforce its decisions on privatization, granting, transfer, and sale, and withdrawal (buyout) of land plots;
- Govern the activities of the commission on provision of housing to investors who suffered losses from the Elite-Center Group;
- Coordinate the activities of Obolonska and Podilska District State Administrations.

Extract from declaration on properties, income and expense, and financial obligations for 2017

Total gross income

Salary at primary employment



UAH 488.5 thousand

Gifts



UAH 1,695 thousand

Information about vehicles

N/a

Information about immovable properties

Residential house



247.9 m²

Land plots



3,001 m²

Apartment



55.4 m²

Bank deposits, securities, and other assets

Cash funds



UAH 653 thousand



USD 45 thousand



EUR 7 thousand



Management of the Kyiv City State Administration

Starostenko, Hanna Viktorivna, Deputy Head of the KCSA

Appointed in September 2014



Education:

- Institute of International Relations at Taras Shevchenko National University of Kyiv, Master in International Relations, translator from German;
- European University "Viadrina" (Germany);
- PhD in Political Science.

Professional background:

- Deputy Head of the Kyiv City State Administration;
- Deputy of the Kyiv City Council of 6th, 7th, and 8th convocations;
- Assistant and advisor to a People's Deputy (MP) of Ukraine;
- Head of Charitable Organization "Klitschko Foundation";
- Manager of LLC "North Investment Group".

Since 2017, she is on the social leave for child care.

Extract from declaration on properties, income and expense, and financial obligations for 2017

Total gross income

Salary at primary employment	Government financial aid	Alienation of securities and corporate rights	
			
UAH 280.4 thousand	UAH 60 thousand	UAH 14.6 thousand	UAH 336 thousand

Information about vehicles

Volvo XC60, 2017



Information about immovable properties

Apartment



58 m²

Bank deposits, securities, and other assets

N/a



Management of the Kyiv City State Administration

Veres, Lesia Ivanivna, Acting Head of the Executive Office of the Kyiv City Council (the Kyiv City State Administration)

Appointed in September 2017



Education:

- Lviv Commercial Academy, Degree in Law;
- National Academy of Public Administration under the President of Ukraine, Degree in Regional Administration.

Professional background:

- Acting Head of the Executive Body of the KCC (the KCSA);
- Deputy Head of Staff – Head of Legal Department of the Executive Body of the KCC (the KCSA);
- Head of Legal Department of the Office of the Executive Body of the KCC (the KCSA);
- Deputy Head of Legal Department of the Executive Body of the KCC (the KCSA);
- Deputy Head of the Department – Head of Legal Expertise Department on Drafting Laws and Drafting Other Legal Acts of Legal Department of the Executive Body of the KCC (the KCSA);
- Head of Legal Expertise Department on Drafting Laws and Drafting Other Legal Acts of Legal Department of the Executive Body of the KCC (the KCSA);
- Chief Specialist of Legal Department of the Executive Body of the KCC (the KCSA);
- Leading Specialist of Legal Department of the Executive Body of the KCC (the KCSA);
- Consultant of the NGO League of Law Students (Legal Clinic) at the Lviv Commercial Academy.

Key responsibilities:

- Organize the work of the Executive Body of the KCC (the KCSA) regarding legal, organizational, documentary, information, personnel, financial and economic, social, logistical, and other support for the activities of the Executive Body of the KCC (the KCSA);
- Provide analytical, information, and other materials preparation;
- Organize the work on verifying the implementation of legislative acts and resolutions of the Executive Body of the KCC (the KCSA);
- Provide methodological and other practical assistance to structural units of the Executive Body of the KCC (KCSA) and district administrations in the city of Kyiv.

Extract from declaration on properties, income and expense, and financial obligations for 2017

Total gross income		
Salary at primary employment	Income from teaching activities	Financial aid
UAH 421.8 thousand	UAH 364	UAH 450

Information about vehicles
N/a

Information about immovable properties
Apartment
35.4 m ²

Bank deposits, securities, and other assets
N/a



City of Kyiv

Kyiv comprises 10 administrative and territorial districts.

Administrative and territorial units (districts of the city of Kyiv)





1 – Kotsiubynske is a city-like settlement in Kyivska region. It is an administrative enclave of the city of Irpin.


District state administrations in the city of Kyiv (DSAs) exercise the executive power in the territories of respective districts of the City pursuant to the Law of Ukraine "On Local State Administrations".


Key tasks of district administrations are to:

- Ensure adherence to the Constitution, Laws of Ukraine, Acts of the President of Ukraine, Cabinet of Ministers of Ukraine, other high level executive authorities, ensure legality and law enforcement, compliance with the rights and freedoms of citizens;
- Implement government and regional programs on social and economic development, environmental protection programs, and programs for national and cultural development of minority nationalities;
- Prepare and execute relevant budgets;
- Report on the execution of respective budgets and programs;
- Interact with local government authorities.

 **83.9**
thousand ha
Area of the city of Kyiv

 **10**
districts in the city of Kyiv

 **2,893.2**
thousand persons
are Kyiv's City permanent residents

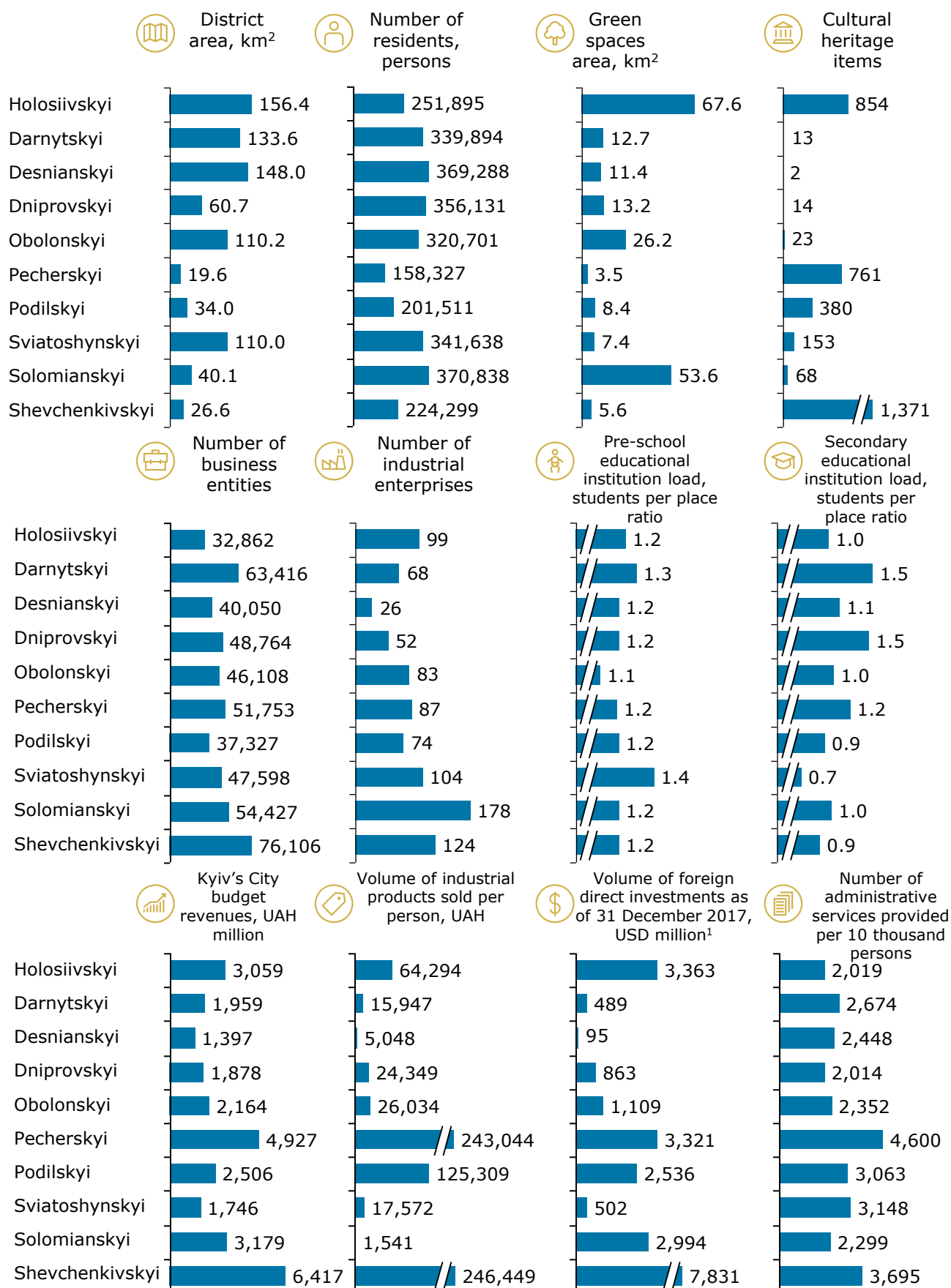
 **6.9%**
of total population of Ukraine

Calculations (estimates) regarding the number of population are based on available administrative data of state registration of births and deaths and changes in places of residence against the number of population under the 2001 population census.

Source: <http://www.ukrstat.gov.ua>



General Information about Kyiv's Districts



Calculated (estimated) and actual values may differ due to rounding.

¹ Indicator for the period of 1991–2017

Source: DSAs



Administrative Services

Kyiv operates a network of 15 Administrative Service Centers (ASCs).

Addresses and contact details of Kyiv's ASCs:



Kyiv's City Administrative Service Center

Address:
196 Dniprovska Naberezhna
Str., Kyiv, 02081

Contact details:
(044) 202-60-38
(044) 202-60-39

ASC of Holosiivska DSA in the city of Kyiv



42 Holosiivskyi Prospect
(044) 281-66-66
(044) 281-66-64

ASC of Pecherska DSA in the city of Kyiv



15 Mykhaila Omelianovycha-
Pavlenka Str.
(044) 280-41-97

ASC of Darnytska DSA in the city of Kyiv



21 Stepana Oliinyka Str.
(044) 565-00-11

ASC of Podilska DSA in the city of Kyiv



9/6 Kostiantynivska-Khoryva
Str.
(044) 425-42-44
(044) 482-55-41

ASC of Desnianska DSA in the city of Kyiv



29 Volodymyra
Maiakovskoho Str.
(044) 546-99-00
39a Lisovyi Prospect
(branch)
(044) 518-04-62

ASC of Sviatoshynska DSA in the city of Kyiv



97 Peremohy Prospect
(044) 451-27-61
(044) 424-15-98

ASC of Dniprovska DSA in the city of Kyiv



11/8 Bazhova Str.
(044) 559-73-78
(044) 559-30-25
Kharkivske Shose Str., 18
(044) 299-57-09
(044) 299-57-08

ASC of Solomianska DSA in the city of Kyiv



41 Povitroflotskyi Prospect
(044) 207-09-68

ASC of Obolonska DSA in the city of Kyiv



16 Marshala Tymoshenka
Prospect
(044) 426-56-65
57 Heroiv Stalinhrada Prospect
(branch)
(044) 485-22-74

ASC of Shevchenkivska DSA in the city of Kyiv



24 Bohdana Khmelnytskoho Str.
(044) 278-71-60
(044) 226-31-97
26/4 Tarasa Shevchenka
Boulevard (branch)
(044) 235-32-16



Municipal Entities

During 2017, the total value of assets, as reflected in the balances of municipal entities, organizations, and institutions as the municipal property of the city of Kyiv as at 1 January 2018, increased by 17.2%.

In 2017, municipal entities generated to the budget of Kyiv UAH 247,442 thousand (lease, alienation, dividends).

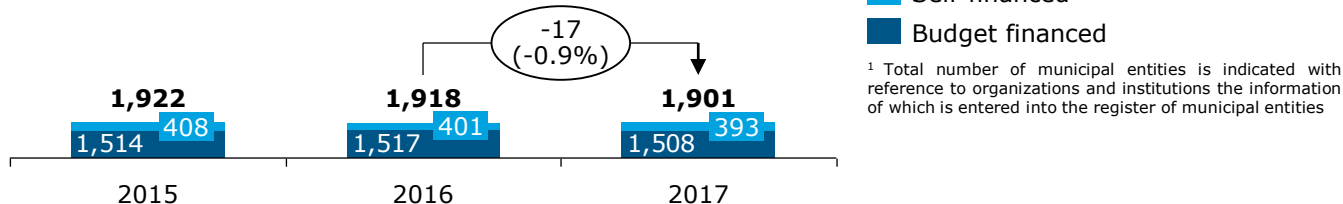
One of the key achievements in the sphere of municipal property management in 2017 was over-fulfillment of target figures regarding the budget proceeds due to disposal of the municipal properties owned by the territorial community of the city of Kyiv. As of 1 January 2018, disposals of the municipal properties owned by the territorial community of the city of Kyiv generated to the budget UAH 111,960 thousand, with the planned UAH 80,000 thousand.

In 2017, 30 immovable property items were privatized: 12 items through a repurchase, 18 items through sales on a competition basis – using auction procedures.

Key tasks of the KCSA in the sphere of municipal property management refer to performing functions on the management of corporate rights belonging to the territorial community of the city of Kyiv and exercising, within the authorities given, functions of shareholders. In 2017, the budget of the city of Kyiv received funds from the payment of dividends by joint stock companies in the total amount of UAH 32.1 million, with the planned indicator of UAH 25.0 million.

Of 393 self-financed municipal entities: 315 enterprises were economically active, 65 were at the stage of termination based on the decisions of the Kyiv City Council, former district councils in the city of Kyiv, and court judgments in the bankruptcy procedures; 1 was located in the territory of Autonomous Republic of Crimea, and 12, for various reasons, failed to report to the Department of Municipal Property (mainly because they did not conduct financial and business activities). In 2017, the Kyiv City Council took 6 decisions on termination of municipal entities, including 1 municipal entity through bankruptcy. In 2017, 15 self-financed municipal entities were withdrawn from the Register of Municipal Entities based on the notices on the state registration of their terminations.

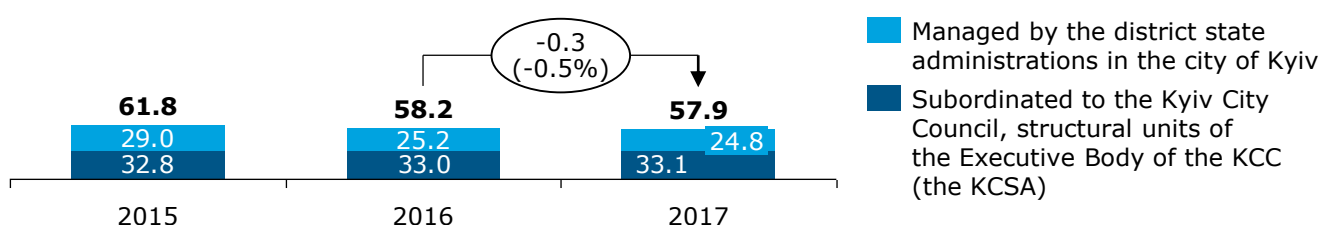
The quantity of municipal entities¹ [units]



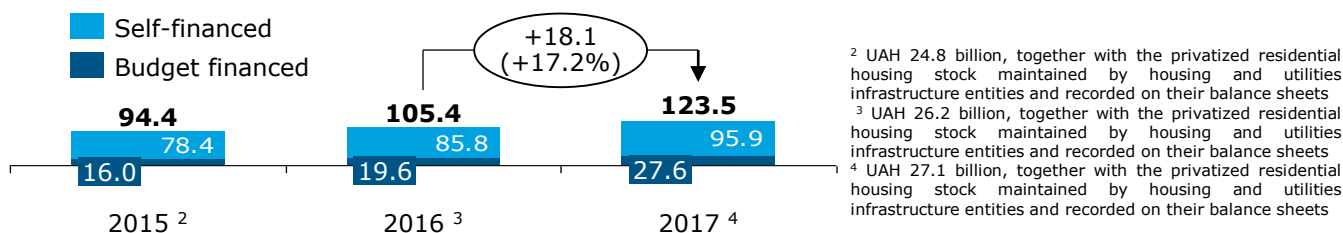
During the reporting period, 1,392 municipal entities were managed by district state administrations in the city of Kyiv, 1,262 of them – budget financed and 130 – self-financed. The average number of employed by those in 2017 was 24.8 thousand persons.

Of the 509 enterprises, institutions, organizations subordinated to the Kyiv City Council, structural units of the Executive Body of the KCC (the KCSA), 246 were budget financed and 263 – self-financed. The average number of employed by those in 2017 was 33.1 thousand persons.

Total headcount of the City's municipal entities [thousand persons]



Total value of assets owned by the City's municipal entities^{2, 3, 4} [UAH billion]



Calculated and actual values may differ due to rounding.

Source: Municipal Property of Kyiv City Department of the Executive Body of the KCC (the KCSA)

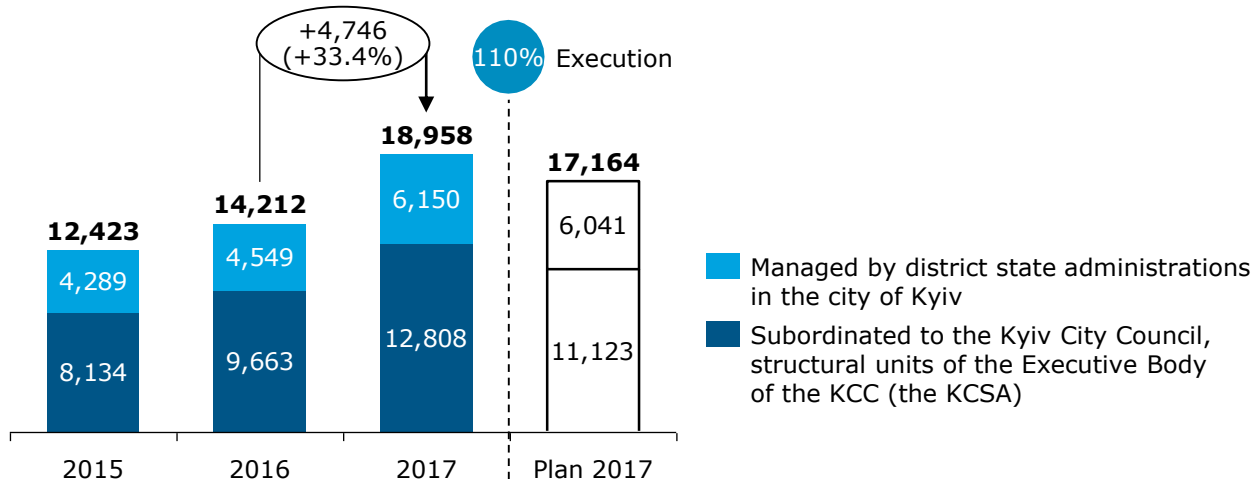


Municipal Entities (continued)

The plan of total revenues of municipal entities was over-fulfilled by 10%, and expenditures – by 11%.

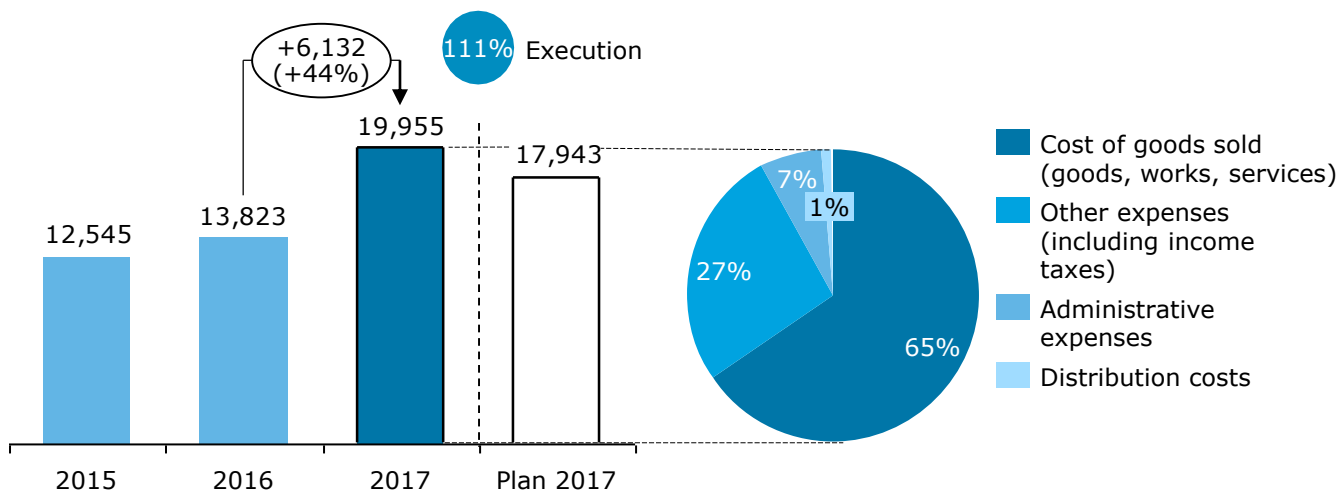
In 2017, self-financed municipal entities generated gross revenues in the amount of UAH 19.0 billion, which was by UAH 4.8 billion, or by 33%, more than in 2016 (UAH 14.2 billion).

Total revenue of municipal entities, institutions, and organizations of Kyiv's City territorial community [UAH million]



In 2017, total expenditures of municipal entities grew due to the increased cost of products sold (goods, works, services), which was caused by the growth in the cost of tariffs for energy, other housing and utility services, as well as due to the increased cost of raw materials, components, and services. The relative share of cost of products sold in total expenses was the biggest and, in absolute terms, amounted to UAH 13 billion. The second biggest component of total expenditures was other expense, including income taxes amounting to UAH 5.3 billion. Administrative expenses were the third biggest item and amounted to UAH 1.3 billion. Distribution costs amounted to UAH 276 million. The actual volume of total expenditures was over-fulfilled by 11%.

Total expenditures of municipal entities, institutions, and organizations of Kyiv's City community [UAH million]



Calculated and actual values may differ due to rounding.

Source: Municipal Property of Kyiv City Department of executive body of the KCC (the KCSA)



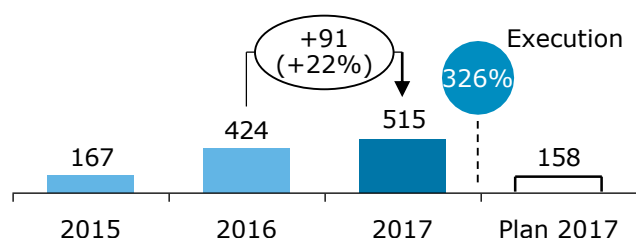
Municipal Entities (continued)

Surplus revenue by 10% and reduced losses of ME led to the increase in total net profits.

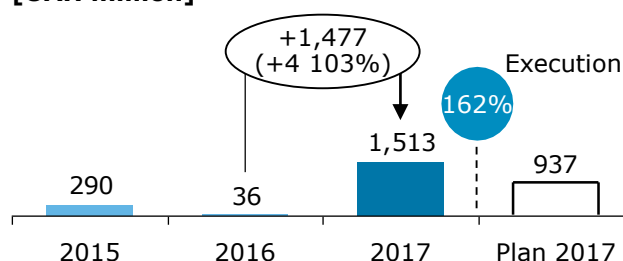
Total net profits amounted to UAH 515.4 million, which was more than in 2016 by UAH 91 million, or by 22% (2016: UAH 424 million). Total losses in 2017 amounted to UAH 1.51 billion, including ME "Kyivskyi Metropolitan" – UAH 1.47 billion (losses arose based on the court ruling in respect of the leases of carriages with Ukrrosleasing). Total losses amounted to UAH 40.0 million, which was by UAH 4.3 million, or by 12%, more than in 2016 (UAH 35.7 million).

The actual figures of total profits earned by municipal entities were fulfilled by 326% against the planned figures, which is the evidence of the effective use of resources and, for the second year in a row, demonstrates a noticeable progressive trend.

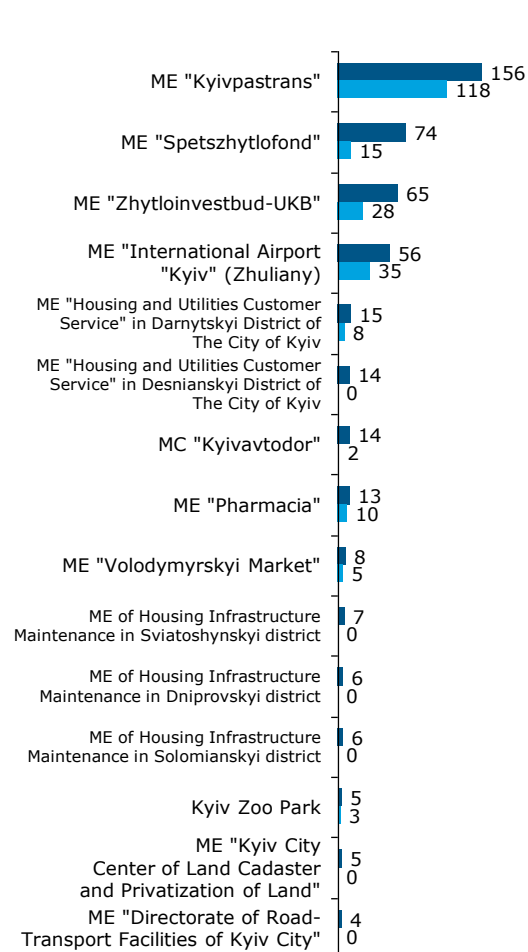
Total profits of the City's municipal entities [UAH million]



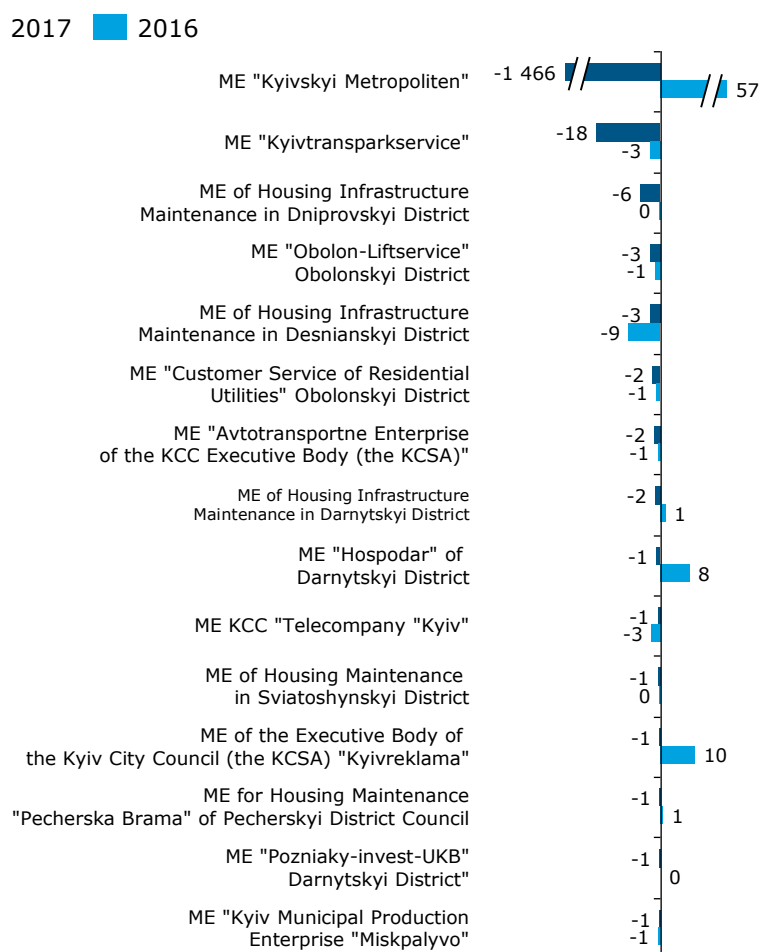
Total losses of the City's municipal entities [UAH million]



Net profits [UAH million]



Net losses [UAH million]



Calculated and actual values may differ due to rounding.

Source: Municipal Property of Kyiv City Department of the Executive Body of the KCC (the KCSA)



International Activities

Co-operation with international organizations:



World Bank



European Bank for Reconstruction and Development



European Investment Bank



GIZ



United Nations Development Program



Regional Direct Investment Fund



German State Development Bank KfW



Organization for Security and Co-operation in Europe (OSCE)



United Nations Program to Fight HIV/AIDS (UNAIDS) for Period of 2017-2021

Achievements in international activities:



Signed the Memorandum on Interaction and Co-operation between the executive body of the Kyiv City Council (the Kyiv City State Administration), ANTIAIDS (AHF) Foundation, and Charitable Fund "AntiAIDS – Ukraine" on interaction in the course of national and local programs on combatting HIV/AIDS, Tuberculosis, and Viral Hepatitis;



Within the initiative implementation of FAST TRACK CITIES (the Paris Declaration) on fulfillment of the United Nations targets to end HIV/AIDS "90-90-90", the Kyiv City authorities conducted work with management of Centers for Disease Control and Prevention (CDC) under the United States President's Emergency Plan for AIDS Relief (PEPFAR), Deloitte Consulting Overseas Projects (Deloitte), and USAID in Ukraine;



Attracted expert support from Bloomberg Philanthropies Fund on improvement traffic security, as well as development pedestrian and cycling zones in Rusanivskyi urban district within the Initiative of "Partnership for Healthy Cities";



Participation of Kyiv's representatives in preservation of the capital's memorial sites (architectural monuments) protected by the UNESCO, in particular, participation in the regular session of the UNESCO World Heritage Committee;



Participation of the Kyiv City Council's representatives in the Congress of Local and Regional Authorities of the European Council, EUROCITIES Association, and sessions of the EC Congress of Local and Regional Authorities.

International events held in the city of Kyiv:



International Mayors Summit



International Song Contest "Eurovision 2017"



Kyiv Investment Forum



Ukrainian-Korean Forum "Smart City"



Public Procurement of the KCSA

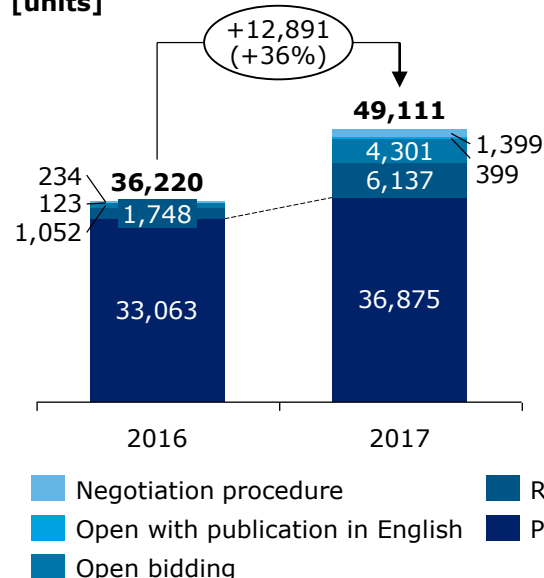
In 2017, purchases made through ProZorro's electronic procurement system ensured savings in the amount of UAH 1.9 billion.

The total amount of procurement increased by 251% to UAH 31 billion, while the number of agreements increased by 12 890 (or by 36%).

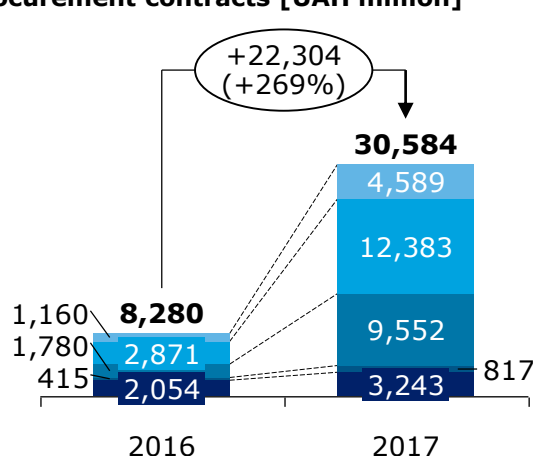
Key growth factors were a general growth of budget expenditures and a decision to conclude the whole volume of procurement contracts via the Prozorro procurement system.

A major portion of the procedures referred to before-threshold procurement (75%), but their volume amounted only to 11% in monetary terms. Whereas open procurement procedures with publications in English, though made up 1% of the total number of agreements, covered 42% of the total amount of procurement in 2017.

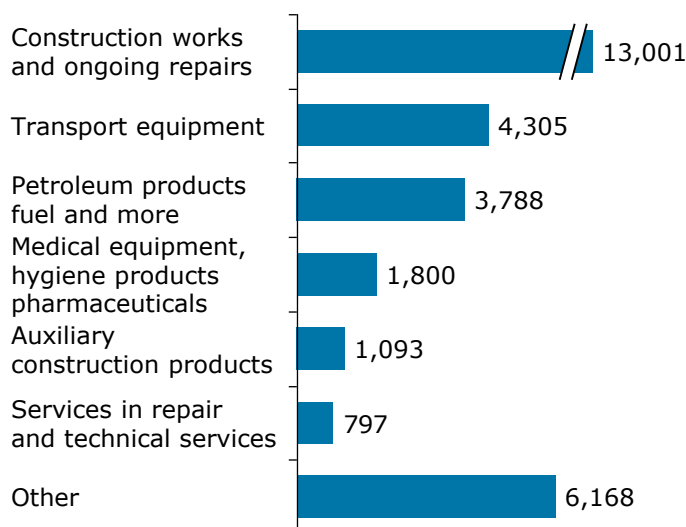
Number of completed procurement procedures [units]



Volume of procurement under completed procurement contracts [UAH million]



Amount of procurement by types of goods [UAH million]



UAH 1,889 million

or 5.7% of the targeted amount of procurement referred to cost-cuttings in 2017 thanks to the use of the Prozorro procurement system and competitive bids.

In 2017, the lion's share of cost-cutting (85%) referred to the cost-cuttings under the procurement with the use of open tenders with/without publications in English.

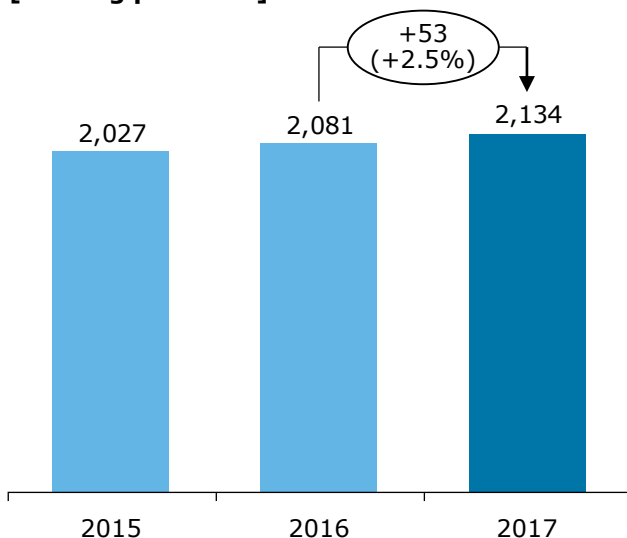


Headcount and Expenses of the Secretariat of the Kyiv City Council and Departments of Its Executive Body (the KCSA)

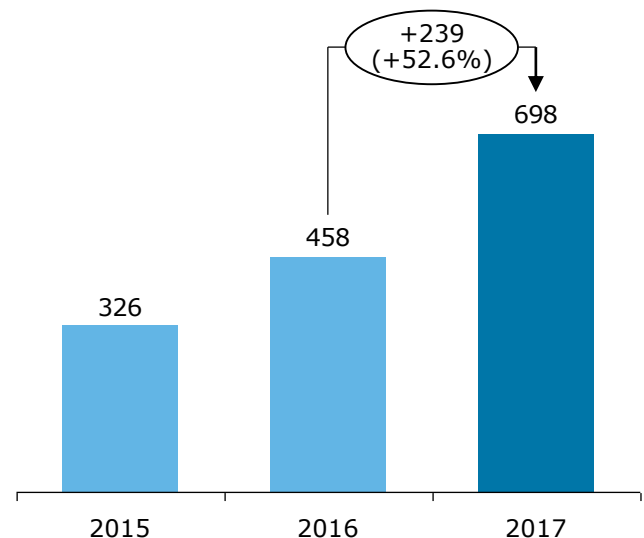
Financing of budget programs increased by 52.6% in 2017.

In 2017, there was a tendency to increase funding for the budget programs of the Secretariat of the Kyiv City Council and the structural units of the Kyiv City State Administration, which was due to the expansion of institutional powers of local authorities on the ground.

Headcount of the Secretariat of the Kyiv City Council and departments of the KCSA [staffing positions]

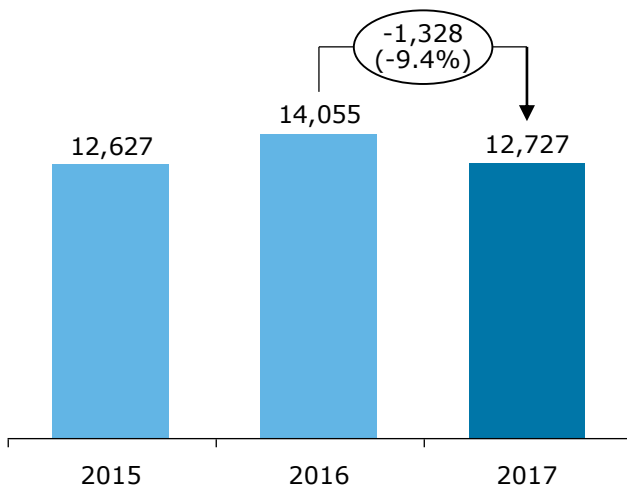


Budget program financing [UAH million]

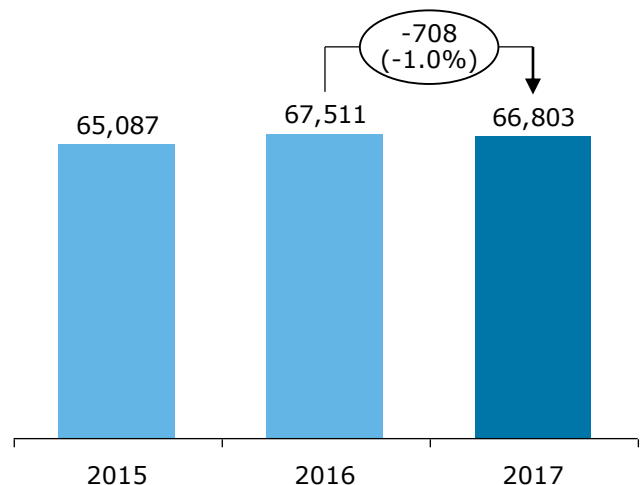


Energy expenditures and utilities decreased in 2017 due to the increased energy efficiency and reduced total area of heated premises.

Heating and utilities expenses [UAH thousand]



Total area of premises [in square meters]





Maintenance Costs of a Staffing Position of the Kyiv City Council (the Secretariat) and Departments of the KCSA

#	Department	Number of staffing positions [persons]		Change %	Financing of budget programs ¹ [UAH thousand]		Change %	Average expenses per staffing position [UAH thousand per month]		Change %
		2016	2017		2016	2017		2016	2017	
1	KCSA Executive Office	293	293	0%	77,754	80,463	3%	22	23	3%
2	Administrative Services Department (Centre)	114	114	0%	25,453	29,087	14%	19	21	14%
3	Economy and Investments Department	123	109	-11%	24,063	29,074	21%	16	22	36%
4	Department of Land Resources	129	129	0%	23,789	31,666	33%	15	20	33%
5	Department of Social Policy	120	120	0%	23,290	29 805 ²	-22%	16	21	28%
6	Culture Department	80	80	0%	21,993	26,516	21%	16 ³	20 ³	25%
7	Department of Finance	97	97	0%	20,595	26,161	27%	18	22	27%
8	Municipal Property of Kyiv City Department	85	85	0%	17,235	21,993	28%	17	22	28%
9	Education and Science, Youth and Sports Department	93	93	0%	19,002	23,860	26%	17	21	26%
10	Housing and Utilities Infrastructure Department	109	109	0%	18,871	25,891	37%	14	20	37%
11	Urban Amenities and Environmental Protection Department	99	99	0%	18,666	24,578	32%	16	21	32%
12	Urban Development and Architecture Department	80	80	0%	17,944	23,300	30%	19	24	30%
13	Construction and Housing Department	80	80	0%	14,273	19,043	33%	15	20	33%
14	Healthcare Department	79	79	0%	14,092	19,503	38%	15	21	38%
15	Industry and Entrepreneurship Development Department	64	62	-3%	12,159	15,395	27%	16	21	31%
16	Social Communications Department	53	53	0%	10,001	12,940	29%	16	20	29%
17	Transport Infrastructure Department	51	51	0%	9,345	124,995	1238%	15	204	1238%
18	Internal Financial Control and Audit Department	41	44	7%	8,380	10,605	27%	17	20	18%
19	Department on registration matters	45	45	0%	7,719	11,901	54%	14	22	54%
20	State Architecture and Construction Control Department in Kyiv	36	36	0%	4,301	8,987	109%	10	21	109%
21	Department of Information and Communication Technologies	n.a.	24	n.a.	n.a.	5,067	n.a.	n.a.	18	n.a.
22	Child and Family Service	21	21	0%	3,620	5,184	43%	14	21	43%
23	Self-Government Control Administration (Inspection)	14	14	0%	2,339	3,201	37%	14	19	37%
24	Department of Advertising	n.a.	14	n.a.	n.a.	2,384	n.a.	n.a.	14	n.a.
25	Department of Tourism and Promotions	n.a.	13	n.a.	n.a.	941	n.a.	n.a.	6	n.a.
Total for the KCSA departments and divisions		1,906	1,944	2%	394,884	612,540	55%	17	26	52%
26	Kyiv City Council (Secretariat)	175	190	9%	62,839	85,946	37%	30	38	26%
Grand total		2,081	2,134	3%	457,723	698,486	53%	18	27	49%

¹ Data includes own receipts (rent of premises) and accounting of the of the report of execution of the report on the implementation of the passport of the budget program of the Department of Social Policy for the maintenance of the office.

³ Average expenses for the staff unit of the Department of Culture calculated in accordance with the specified expenses for the staff unit in the report on the passport execution of the budget program of the local budget were: in 2016 - UAH 196.9 thousand , in 2017 - UAH 249.1 thousand, in connection with the maintenance of economic departments at the expense of a special fund from the lease.

Source: KCSA. The calculated values may not correspond to the actual values due to rounding.



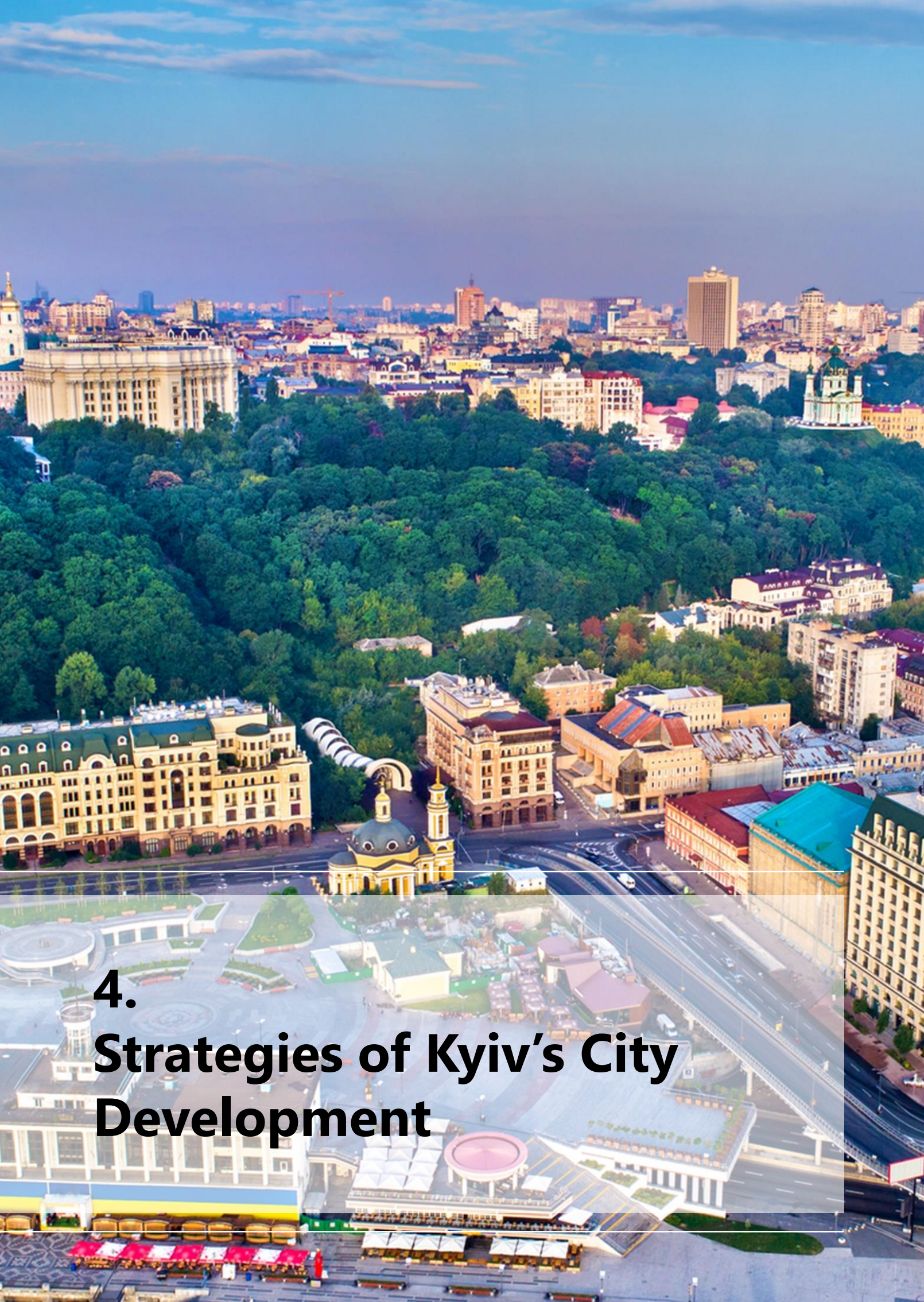
Expenses of the Kyiv City Council (the Secretariat) and Departments of the KCSA in 2016-2017

#	Department	Total area of premises occupied [sq m]		Change %	Energy and utilities cost [UAH thousand]		Change %	Average cost per square meter of area ¹ [UAH per sq m]		Change %
		2016	2017		2016	2017		2016	2017	
1	KCSA Executive Office	1,138	1,138	0%	91	84	-8%	80	74	-8%
2	Administrative Services Department (Centre)	2,110	2,110	0%	629	563	-10%	298	267	-10%
3	Economy and Investments Department	1,309	1,028	-21%	205	185	-10%	157	180	15%
4	Department of Land Resources	3,418	3,418	0%	710	687	-3%	208	201	-3%
5	Department of Social Policy	2,587	2,587	0%	404	389	-4%	156	150	-4%
6	Culture Department	10,820	10,820	0%	1,386	1,136	-18%	128	105	-18%
7	Department of Finance ²	1,084	1,084	0%	H.3.	H.3.	H.3.	H.3.	H.3.	H.3.
8	Municipal Property of Kyiv City Department	1,371	1,371	0%	460	436	-5%	336	318	-5%
9	Education and Science, Youth and Sports Department	1,810	1,810	0%	412	358	-13%	228	198	-13%
10	Housing and Utilities Infrastructure Department	2,913	2,913	0%	331	335	1%	114	115	1%
11	Urban Amenities and Environmental Protection Department	3,467	3,467	0%	755	541	-28%	218	156	-28%
12	Urban Development and Architecture Department	4,379	4,379	0%	1,013	874	-14%	231	200	-14%
13	Construction and Housing Department	3,301	3,301	0%	342	348	2%	104	105	2%
14	Healthcare Department	1,958	1,958	0%	645	582	-10%	329	297	-10%
15	Industry and Entrepreneurship Development Department	1,014	995	-2%	283	212	-25%	279	213	-24%
16	Social Communications Department	1,212	1,212	0%	153	162	6%	126	134	6%
17	Transport Infrastructure Department	858	858	0%	234	118	-50%	273	137	-50%
18	Internal Financial Control and Audit Department	451	451	0%	115	101	-12%	255	224	-12%
19	Department on registration matters ³	1,992	1,584	-20%	H.3.	99	H.3.	H.3.	63	H.3.
20	State Architecture and Construction Control Department in Kyiv	249	249	0%	62	106	71%	249	426	71%
21	Department of Information and Communication Technologies	H.3.	H.3.	H.3.	H.3.	H.3.	H.3.	H.3.	H.3.	H.3.
22	Child and Family Service	257	257	0%	36	50	39%	140	194	39%
23	Self-Government Control Administration (Inspection)	89	89	0%	22	16	-26%	246	183	-26%
24	Department of Advertising	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
25	Department of Tourism and Promotions	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total for the KCSA departments and divisions		47,787	47,079	-1%	8,288	7,383	-11%	173	157	-10%
26	Kyiv City Council (Secretariat)	19,724	19,724	0%	5,767	5,345	-7%	292	271	-7%
Grand total		67,511	66,803	-1%	14,055	12,728	-9%	208	191	-8%

¹ Expenses for payment of energy carriers and utilities per unit of the total area of premises.

² Expenses for payment of energy carriers and public services for the Department of Finance were carried out by the KCC.

³ Energy and utility expenses for the Department of Registration were implemented by the Department of Economics and Investment. Source: KCSA. The calculated values may not correspond to the actual values due to rounding.



4.

Strategies of Kyiv's City Development



Execution of Kyiv's City Development Strategy until 2025

Key events conducted in 2017

Strategic Goals and Sectors of the City's Development in Accordance with the Kyiv's City Development Strategy until 2025

In July 2017, a new version of the Kyiv's City Development Strategy until 2025 was adopted.

The main strategic goal is to improve the quality of life of its residents, which is determined by the economic welfare and comfort of life in the City with a rich historical tradition. In accordance with the newly approved strategies, three strategic goals have been singled out:

- Increase the level of competitive ability of Kyiv's economy;
- Improve the comfort of life of residents of Kyiv; and
- Preserve the historical identity and develop cultural projects in Kyiv.

To ensure the achievement of strategic goals, concrete operational goals, tasks and activities for the development of 16 urban sectors have been developed.

Strategic goals		
Goal 1	Goal 2	Goal 3
Increase the level of competitive ability of Kyiv's economy	Improve the comfort of life of Kyiv's residents	Preserve the historical identity and develop cultural projects in Kyiv
Sectors		
1.1. Industry and entrepreneurship development 1.2. Investments 1.3. Labor market 1.4. Urban development and land relations 1.5. Tourism	2.1. Housing and public utility services 2.2. Transport and urban mobility 2.3. Social support and assistance 2.4. Health care and healthy lifestyle 2.5. Ecology policies and environmental protection 2.6. Public space 2.7. Administrative services 2.8. Education 2.9. Security and civil protection	3.1. Historical and cultural heritage 3.2. Culture



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Substantially, the comparative assessment of the actual figures for 2017¹ and the target values for 2020 identified the indicators to be as follows: indicators in the "high" zone – 64; in the "medium" zone – 74; in the "low" zone – 61.

Strategic goal: 1. Increase the level of competitive ability of Kyiv's economy

Sector 1.1. Industry and entrepreneurship development

- Opened the Center for Innovations and Entrepreneurship iHUB-Kyiv;
- State Enterprise "Antonov":
 - For the first time, presented to the world public a demonstrator aircraft An-132D at one of the greatest aerospace exhibition of Paris Air Show- 2017;
 - Presented to global partners at the international exhibition of Dubai Airshow 2 aircraft: a prototype of multi-purpose light transport aircraft An-132 and a short take-off and landing military transport aircraft An-70, conducted negotiations on arranging supplies of components for batch manufacturing of An-132, development of new modification, after-sale support services to AN aircraft in the countries of Middle East and North Africa.
- Provided assistance in implementation of business plans to 6 winners in the business plan contest for young entrepreneurs of Kyiv;
- Conducted an exhibition-presentation "Made in Kyiv" where 149 industrial product manufactures and 41 research institutions of the NAS of Ukraine presented their achievements;
- Manufacturers of Kyiv took part in:
 - Exhibition AERO INDIA-2017 (Bangalore, India) – SE "Antonov", SJSHC "Artem";
 - Exhibition "Baby Fashion 2017" (Kyiv, International Exhibition Center) – LLC Firm "Favor", "Kyivhuma";
 - International specialized exhibition PLAST EXPO UA-2017 (Kyiv, International Exhibition Center) – Research and Technological Diamond Concern "Alcon", LLC "Energotechnology";
 - IDEX-2017, (Abu-Dhabi, the UAE) – SJSHC "Artem" and PJSC "RPA "Kyiv Automatics Plant";
 - Exhibition LIMA-2017 (Lilongwe, Malawi (Africa) – SJSHC "Artem";
 - International exhibition LAAD-2017 (Brazil, Rio-de-Janeiro) – SE Plant "Generator";
 - Business meetings with representatives of Defensa y Seguridad Internacional S.A.C (Peru) and representatives of Anhui's East China Research Institute "Photo Electronics" (PRC) – PJSC "Kyiv Plant "Radar";
 - XIV International Specialized Exhibition "Weapons and Security" (Kyiv, International Exhibition Center) – 31 industrial enterprises of Kyiv;
 - Fashion festival KYIV FASHION 2017 (Kyiv, International Exhibition Center) – LLC "Robika";
 - Investment Forum in the city of Kyiv (Kyiv, Business Center "Parkovyi") – PJSC "Promzviazok";
 - Festivals "ZiberFest" (Kyiv) – PJSC "OBOLON".
- 10 districts of the City had information and consulting centers operating – units of ME "Kyiv City Business Center";
- Held 3,971 table-top sales, which covered 215,219 business entities, in particular, manufacturers from different regions of Ukraine.

Sector 1.2. Investments

- Ensured work with investors using the "Single Window" principle;
- Concluded investment agreements on the realization of 4 (four) projects (for the total amount of investments over UAH 506 million), and the works are under way on their implementation, in particular, construction of residential buildings (with allocation of a part of apartments to those who had suffered from the activities of ICG "Elite-Center"), sports and transport infrastructure facilities;
- Ensured for adoption by the Kyiv City Council in the first reading of draft Resolution of the KCC "On Approval of Regulation on Conducting Investment Tenders in the City of Kyiv" aimed at optimizing the mechanism of attracting investments;
- Continued work on ensuring the operation of the online platform for public access to information about investment projects and stages of their implementation based on Kyiv's web-site of InvestInKyiv;
- Participated in 14 international economic and investment events (in Ukraine and abroad).

¹ Without including 4 indicators, which were not estimated in 2017.
Source: KCSA



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Strategic goal: 1. Increase the level of competitive ability of Kyiv's economy

Sector 1.2. Investments (continued)

- Participated in International Real Estate Exhibition MIPIM-2017, Cannes, France;
- Held the Investment Forum of Kyiv;
- Provided for the release of 500 Invest in Kyiv booklets and promo video on the investment possibilities of Kyiv;
- Number of visitors of <http://investinkyiv.gov.ua> web-portal amounted to 14,417;
- Made 68 publications on the promotion of Kyiv's investment image via Internet and media resources.

Sector 1.3. Labor market

- The capital's labor market is characterized by the best indicators among other regions of the country, in particular:
 - The highest level of local employment at the age of 15–70 years old – 61.8% (Ukraine: 56.1%);
 - One of the lowest unemployment rates as determined in accordance with the methodology of International Labor Organization – 6.9% (Ukraine: 9.5%).
- During the year, 73.0 thousand persons employed in newly created positions, which is the best indicator among regions, in particular:
 - Legal entities – 56.4 thousand persons;
 - Individuals – 16.6 thousand persons.
- 172 unemployed persons employed in new positions, with the single contribution to employers provided, which is by 16% more than in the prior year;
- Through the assistance of Employment Service, 3.0 thousand persons were trained;
- The City engaged 215,219 business entities and manufacturers from different regions of Ukraine to hold 3,971 table-top sales and created over 500 temporary working places to conduct 13 specialty markets, exhibitions, festivals, retail servicing in the course of conducting national and general municipal events;
- Operated 164 retail outlets for selling bread to socially unprotected population, for which 96 working places were created during 2017;
- 76 entities were fully repaid by outstanding payroll amounts;
- Institutions and organizations financed by the budget of Kyiv have no salary related debts;
- Almost 3.7 thousand business entities increased salaries during the reporting period.

Sector 1.4. Urban development and land relations

- 87% of total areas of the City's lands were covered by stock taking and included in the City's land cadaster.
- Approved 9 detailed plans in respect of territories the geospatial materials of which were entered into the database of Kyiv's urban development cadaster; amendments to the detailed plan in the territory of Teremky III site, the detailed plans in the territory within Saperno-Slobidska Street and Nauky Prospect, and the detailed plans in the territory within Dniprovska Embankment, Zdobunivska Street, and Petra Hroherenka Prospect in Darnytskyi district of the city of Kyiv.
- Performed Phase I on the development of detailed plans and development concept of Trukhaniv Island, Hydropark Island, and cottage housing development within Balzaka, Radunska, Liskivska, and Myloslavska streets.
- Held hearings in respect of 14 detailed plans of territories.



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Strategic goal: 1. Increase the level of competitive ability of Kyiv's economy

Sector 1.4. Urban development and land relations (continued)

- Prepared and held:
 - All-Ukrainian Closed Architecture Contest to determine the best concept regarding the cultural and recreation park "Pochaina Park" in Obolonskyi district;
 - All-Ukrainian Closed Architecture Contest to determine the best conceptual project on municipal improvement of Heroiv Ukrainy Park in Desnianskyi district;
 - Closed Architecture Flash Contest to determine the best pre-project proposal on development of the central part of Chortoryi land mark (Trukhaniv Island – Muromets Island) in Desnianskyi district.
- Developed and submitted for approval by the Kyiv City Council of the Concept on Development of the Bicycle Infrastructure in Kyiv.

Sector 1.5. Tourism

- Officially opened a tourism and information center in RRC "Gulliver";
- Created tourist photo areas with installed 3-D constructions of the tourist logotype "Everything Starts in Kyiv" (international airports "Kyiv" (Zhuliany) and "Boryspil");
- Updated 50 stands (piers) and 47 signs in the City's downtown;
- Created 20 stops for excursion vehicles;
- Held promotion events on Kyiv's tourist attractiveness within the preparation and conducting of Eurovision-2017 Song Contest (participation in international exhibitions: New York Times Travel Show, Balttour, IMTM, ITB, UITT, COTTM);
- Modernized the tourist portal of visitkyiv.travel and mobile application (Kyiv City Guide);
- Within the cross-reference promotion, placed information of "Tourist Kyiv" in the city of Istanbul (Turkey) and held promotion tour in respect of it;
- Arranged advertising of tourist possibilities of Kyiv in mass media (in-flight magazines of Wizz-Air, LOT, INTERCITY, Belavia, Panorama);
- Provided operations of:
 - Hot line and legal support of tourists (additional option of 15-51 Service);
 - VisitKyiv page in social networks (Facebook, Instagram, Twitter).
- Developed and implemented tourist ID-card Kyiv Pass for visiting tourist sites, payment of transport services, etc.;
- Participated in over 10 festival and entertainment events:
 - Organized the subject matter location Eurovillage in the official fan zone of Eurovision-2017 song contest;
 - Provided for functioning of hospitality area in Kyiv within the musical event of international level Atlas Weekend;
 - Arranged for presentation of MotoOpenFest 2018 festival within the days of Harley-Davidson in Kyiv;
 - Held Days of Kyiv in the city of Istanbul (Turkey);
 - Arranged for presentation of the Cup and the official logotype of UEFA Champions League 2018 finals;
 - Conducted a ceremony of prizing Kyiv Tourism Awards 2017 within the World Tourism Day and Day of Tourism in Ukraine to distinguish the best entities and organizations in tourism.



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Strategic goal: 2. Improve the comfort of life of Kyiv's residents

Sector 2.1. Housing and public utility services

- As of 1 January 2018, 1,191 associations of co-owners of apartment buildings were created, which was 10.4% of the total number of residential buildings or 15.3% of the total area of the housing stock;
- Completed large-scale projects on the construction of the Second Collector Line of the main public sewer 9.77 km long and modernized treatment facilities at Bortnytska aeration station;
- Modernized and replaced 8.13 km of water supply and 9.88 km of sewage networks, as well as 1.17 km of heat main pipelines;
- Conducted technical re-equipment of treatment facilities and purchased a set for packaging solid household wastes on the Landfill # 5 in the village of Pidhirtsi;
- Constructed 4 fountains in the water space of Rusanivskyi Canal, reconstructed fountains in Maidan Nezalezhnosti;
- Built 4 artesian wells and 1 pump-room site;
- Modernized 145 elevators and repaired 221 elevators in residential buildings of the city of Kyiv;
- Conducted energy efficiency activities:
 - Completed thermos-modernization of 4 pre-schools;
 - Signed the first in Ukraine Energy Service Contract (ESC) which contemplates that all energy efficiency activities will be performed by an investor (energy service company) (HCC "Politekhnik" in 27 Saliutna Str.);
 - Installed 361 heat meters in 337 residential buildings, with the total demand satisfied by 96%, and installed 20 heat meters in 19 budget institutions;
 - Installed 79 individual heating units in 61 residential buildings and 3 individual heating units in 2 budget institutions;
 - Equipped 20 education institutions with dispatcher and energy consumption systems.
- Overhauled 318 roofs, 513 staircase landings, 752 engineering and electrical networks inside the buildings, replaced windows in 1,623 buildings, provided the heat insulation and repaired 141 facades; equipped 287 playgrounds and 227 sports grounds;
- Restored the record number of parks and public gardens – about 120, including "Natalka" Park, Park named after Peacekeeping Soldiers, the park along Malyska Street, the public gardens in Kontraktova Square and Hradynska Street, etc.; reconstructed the recreation zone around the Telbyn Lake and cleaned the waterbodies in 17 recreation zones;
- Increased the machinery fleet for water and green utility services to 108 units;
- Concluded agreements on the purchase of property rights to 110 apartments of total space of 6.4 thousand sq. m for persons on the waiting lists of apartment and social apartment records.

Sector 2.2. Transport and municipal mobility

- Created new pedestrian areas in Podilskyi district in Kontraktova square;
- Length of bicycle lines, tracks, and lanes amounted to 1.9 km per 100 thousand residents;
- Launched new bus routes of common use for 5 routes;
- Ensured the operation of 4 night trolley-bus routes;
- Renewed bus, trolleybus, and tram fleets solely by modern vehicles that have by 100% low floor levels and are adjusted for passengers with special needs:
 - Supplied 17 BOHDAN trolley-buses;
 - 47 MAZ buses;
 - 27 module tram carriages with low floors.
- Erected 44 streetlight units, installed the entrance sign on 23-d kilometer of KYIV-Kharkiv motorway (M-03);
- Modernized 8 tram crossings;
- Completed reconstruction of Peremohy Prospect (11.23 km) and Vasylkivska Street (1.55 km);
- Developed design documents for the construction of Syretsko-Pecherska Line of Kyivskyi Metropolitan from Syrets Station to Residential District Vynohradar with Electric Engine House;
- Constructed (modernized) external lighting network at 7 surface level pedestrian crossings and architectural and decorative lightings of bridges, trees, parks, and public gardens; replaced and installed 3,297 new light fixtures and 803 bases, over 20 km of external lighting network.



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Strategic goal: 2. Improve the comfort of life of Kyiv's residents

Sector 2.2. Transport and urban mobility (continued)

- Overhauled:
 - 982.6 thousand sq. m of road network;
 - 20 bridges and overhead crossings;
 - 249.5 thousand sq. m of inter-block passes and adjacent territories;
 - 6.8 km of tram track lines and 67.9 km of contact networks;
 - 2 escalators at Starovokzalna Station of express tramway;
 - 139 streetlight units;
 - 32 tram carriages and funicular, etc.

Sector 2.3. Social support and assistance

- Introduced for the first time the purchase of social services from public organizations using the mechanism of social order, purchased two social services:
 - End-of-life care of AIDS-infected persons;
 - Social adaptation of young people with disability due to intellectual disorders.
- Introduced for the first time the provision of the City's infrastructure with means of free access: purchased 200 lifting platforms;
- Paid:
 - One-time financial aid to:
 - o 530 persons – family members of perished ATO Kyiv citizens;
 - o 28 persons – family members of the Sky Hundred Heroes;
 - Monthly targeted financial aid to:
 - o 2.2 thousand persons – ATO participants and their family members to cover payments for housing and public utility services;
 - Annual financial aid to :
 - o 24.4 thousand persons – ATO participants;
 - o 24.9 thousand persons – ATO participants and family members of perished Kyivans in connection with national holidays and commemorative dates;
 - Compensation for in-treatment related costs, including endoprosthesis replacement, hearing aids, and eye prosthesis:
 - o 14 persons – ATO participants, family members of the Sky Hundred Heroes;
- Provided 1,281 vacation packages (658 for children and 609 for adults) for health improvement of children of ATO participants and children of servicemen of military units up to 7 years old (accompanied);
- Allocated 10 apartments to orphaned children;
- Opened the Center for Social Services in Hnata Yury Str. in Sviatoshynskiy district.

Sector 2.4. Health care and healthy lifestyle

Ensure qualitative and affordable medicine in the city of Kyiv

- Conducted modernizations of medical institutions:
 - Modernized and reinforced foundations of Children's Clinical Hospital # 7 in Pidvysotskoho Street in Pecherskyi district;
 - Modernized roofs and insulated facades of two polyclinics (for adults and children) in Marshala Tymoshenko Street in Obolonskyi district;
 - Fourth start-up facilities of Phase I of modernization of reception and specialized departments of hospital # 12 in Pidvysotskoho Street in Pecherskyi district.
- Overhauled:
 - Roofs in 11 hospitals and 7 polyclinics;
 - Premises in 64 hospitals and 43 polyclinics;
 - Engineering and electrical networks in 23 hospitals and 25 polyclinics;
 - Elevators in 9 hospitals and 2 polyclinics;
 - Premises for turning 3 institutions into intensive treatment hospitals;
 - Prepared for the work in the autumn and winter period 45 hospitals and 14 polyclinics;
 - Replaced windows in 15 hospitals and 8 outpatient and polyclinic institutions.



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Strategic goal: 2. Improve the comfort of life of Kyiv's residents

Sector 2.4. Health care and healthy lifestyle (continued)

- Purchased 96 units of costly equipment (artificial lung ventilation unit, incubators, X-ray equipment, ultrasound investigation units, open intensive cure systems, constant positive airway pressure (CPAP) devices);
- All maternity hospitals of the city of Kyiv were provided with modern equipment to perform screening examinations of the newly born aimed at identifying inborn hearing loss and retinopathy of prematurity;
- Introduced electronic appointment system with the help of the following services: "Polyclinic without Lines", HELSI, MEDSTAR;
- Improved health of 15 thousand children, including over 10 thousand children who require special social attention and support;
- Over 197 thousand young persons were covered by health improvement and recreation;
- Ensured for the initiative implementation of FAST TRACK CITIES (the Paris Declaration) on fulfillment of the United Nations targets to end HIV/AIDS (UNAIDS) "90-90-90", an ongoing cascade of activities on prevention, patient care, and treatment aimed at combatting the epidemics of HIV/AIDS":
 - Opened 5 offices for substitution maintenance therapy with further integration of HIV services on their premises;
 - Equipped 9 offices for infection disease doctors in consulting and diagnostic centers;
 - Ensured for free examination for HIV in health care institutions of Kyiv of all subordination levels of 257 thousand persons (in 2016: 206 thousand persons);
 - HIV infected patients were provided with antiretroviral drugs and treated in consulting and diagnostic centers of Podilskyi, Obolonskyi, and Darnytskyi districts of the City.

Improve the efficiency of management system in health care:

- Established 5 municipal non-commercial entities of the executive body of the Kyiv City Council (the Kyiv City State Administration).

Improve mechanisms of funding the health care system:

- Launched a pilot project on reimbursement from the state budget of the cost of drugs for patients with cardiovascular, bronchial asthma, and Type II diabetes mellitus diseases under the Government Program "Affordable Drugs";
- Reimbursement of insulin implemented, which allowed fully and uninterruptedly provide insulin-dependent patients, including children (reimbursement for released insulin preparations for the amount of 89.0 million UAH).

Promote healthy lifestyle:

- Opened after remodeling the Kyiv Cycle Track in B. Khmelnytskoho Street in Shevchenkivskyi district;
- Held 38 sporting and mass participation events in which almost 51.5 thousand persons took part;
- Over 7.6 thousand sportsmen of Kyiv participated in 298 competitions of Olympic and non-Olympic sports, the XXIII Deaflympic Games in Samsun (Turkey);
- Held international competitions in free and Greco-Roman wrestling, artistic gymnastics "Ukrainian National Cup", modern rhythmic gymnastics "Deriuhina Cup" Grand-Prix, sport dance "Parade of Hopes" and "Kyiv Open", European championship in high-board diving, festival "MotoOpenFest", world ice hockey championship, cycle races of "Tour of Ukraine" and "Race Horizon Park Maidan", "Kyiv Hundred";
- 89 children's and youth sports schools ensured for training of about 36.9 thousand children.



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Strategic goal: 2. Improve the comfort of life of Kyiv's residents

Sector 2.5. Ecology policies and environmental protection

- Services of carrying out solid wastes are provided to 100% of people;
- Installed 59 underground containers;
- Acquired 4 refuse collector vehicles;
- Acquired a cargo truck with loader crane, multi-lift unit, and interchangeable bodies; 2 excavator loaders; 2 dumping trucks; a mobile set for compacting and packing solid domestic wastes;
- Opened more than 3,000 points for collecting batteries;
- Purchased 150 containers for collecting hazardous wastes within domestic ones (waste luminous lamps and chemical sources of energy);
- Purchased 92 units of large machinery for looking after greenery items and 37 equipment units.
- Dismantled 198 vehicle gas-filling stations and 1,458 temporary structures and small architectural forms installed without authorization.

Sector 2.6. Public space

- Restored about 120 parks and public gardens, in particular: Natalka Park; public garden near the IEC; Hydropark; public garden in Kontraktova Square (in the place of dismantled small architectural forms);
- Dismantled 1,108 mobile vending stands placed (installed) without authorization;
- Municipal beaches of the City "Children's", "Golden", and "Pushcha-Vodytsia" received the honorary environmental sign "Blue Banner". The beaches are equipped with 5 amphibian chairs for bathing of people with limited mobility and surfaces for easier riding on carriages of people with disabilities;
- Used 4 specialized machinery units for modern cleaning of beaches;
- Acquired 4 units of modular container toilets (sanitary containers) adapted for people with limited mobility. Installed 50 units of portable toilet cubicles;
- Approved the Scheme for Placing Ground Advertising Means in the whole territory of Kyiv;
- Developed draft Procedures for Placing External Advertising in the City of Kyiv, Advertising on Transport, and Elevators of Residential Buildings, approved them with the Anti-Monopoly Committee of Ukraine;
- Modernized the existing and created new shelters for animals;
- Intensified control over keeping pet animals and regulating the number of homeless animals using humane methods.

Sector 2.7. Administrative Services

- Ensured functioning of 15 administrative service centers (ASCs);
- Introduced rendering the following administrative services:
 - Drawing up passports of citizens of Ukraine for travelling abroad and passports of citizens of Ukraine in the form of ID-cards, for which document reception hours were extended. In total, 66,864 passports, including:
 - Passports of citizens of Ukraine for travelling abroad – 50,489;
 - Passports of citizens of Ukraine in the form of ID-cards – 16,375.
 - Providing data to residents from the State Land Cadaster by ASC administrators.
- Arranged for centralized delivery of documents by service vehicles from all Administrative Service Departments (Centers) of state administrations in the city of Kyiv to administrative service subjects;
- Arranged for self-service places for citizens where applicants may use computers, scan or Xerox required documents, print out and fill out questionnaire forms, etc;
- Introduced reflecting on the web-portal of administrative services in the city of Kyiv the electronic lines online in respect of administrative services on drawing up passports of citizens of Ukraine for travelling abroad and passports of citizens of Ukraine in the form of ID-cards;
- Launched registering to ASCs via the information system of "Municipal WEB-Portal of Administrative Services in the City of Kyiv";
- Number of administrative services amounted to 927.4 thousand, which was 1.5 times more than in 2016, rendered consultations – almost 55 thousand, which was 1.7 times more than in 2016.



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Strategic goal: 2. Improve the comfort of life of Kyiv's residents

Sector 2.8. Education

- Constructed and modernized 4 municipal comprehensive secondary education institutions for 1,740 study places in the following districts:
 - Solomianskyi – Educational Institution “Erudyt” at the corner of Lebedeva-Kumacha and Zemliachky (Yablunskoi) Streets;
 - Darnytskyi – Lyceum for 22 classes in Microdistrict 6 of residential settlement Osokorky-Pivnichni, primary school # 333 in Ye. Chavdar Street;
 - Obolonskyi – School # 211 in Laiosha Havro Street;and included into the education network 6 comprehensive secondary schools of private form of ownership in Holosiivskyi, Darnytskyi, Dniprovskyi, Solomianskyi, and Shevchenkivskyi districts.
- Number of study places in pre-schools of municipal and private forms of ownership increased by 3.6 thousand at the cost of:
 - Completed construction, modernization, and remodeling of 10 kindergartens (1,547 places);
 - Renewed 84 groups in operating pre-schools (1,675 places);
 - Included 6 private institutions into the kindergarten network (396 places).
- Completed thermal modernization of 4 pre-schools in Desnianskyi, Podilskyi, and Sviatoshynskyi districts;
- Overhauled premises and catering facilities in 265 education institutions, engineering and electrical networks in 64 institutions, 116 roofs and 78 facades, shades, stadiums, playgrounds and sports grounds in 103 institutions, 45 gyms in schools, replaced windows in 201 institutions;
- Number of inclusive groups for children of pre-school age grew by 28%: 70 groups of 39 pre-schools of general type provided education to 128 children of pre-school age;
- Number of classes with inclusive education grew by 209%, 537 children studied in 232 classes;
- Opened 1 vocational school as a center of education and proliferation of informal education;
- Created 2 educational and practical centers by industries: vocation of “Sewer. Tailor. Apparel Cutter” on the basis of the Kyiv Higher Professional College of Technologies and Clothes design; vocation of “Adjuster of Sanitary Engineering Systems and Equipment” on the basis of State Educational Institution “Kyiv Regional Higher Professional College of Construction”;
- Increased the salary rate by 62%, which amounted to UAH 3,522;
- Level of average monthly salary of industry employees made up 83% of average monthly salary in the city of Kyiv;
- Introduced an incentive system for employees: 50% of basic salary – to principals and deputy principals; 20% of basic salary to teaching and other non-teaching employees;
- For dedicated work and achieving great skills in professional activities, 312 Kyiv's educators were awarded by government awards, awards of the Ministry of Education and Science of Ukraine, and the Kyiv City State Administration, as well as by awards of the Department for Education and Science, Youth and Sports – 938 educators;
- Created the City's resource center for distance learning and self-education;
- Created a site within the project “Open Center of Capital City's Education” <http://vo.ippo.kubg.edu.ua/> which places attestation control papers for distance learning students; presentations and lesson plans, methodological recommendations for learning subjects;
- Conducted 4,868 educational events aimed at enhancing the prestige of the Ukrainian language, culture, historical memory. Coverage of children by out-of-school activities grew by 2.5%.



Execution of the Kyiv's City Development Strategy until 2025 (continued)

Strategic goal: 2. Improve the comfort of life of Kyiv's residents

Sector 2.9. Security and social protection

- Acquired 2 small size specialized emergency-rescue vehicles, 4 sets of diving outfits, 15 units of small powered plants, purchased 109 sets of specialized protective suits for firefighters;
- Operating units of Municipal Emergency-Rescue Service "Kyiv Rescue Service" made 2,244 responses to natural and made-made emergency situations;
- Rescued lives of 122 residents of Kyiv;
- Continued the introduction of automated video-surveillance system: transferred equipment for installation of "video-wall", created and ensured for functioning of closed data transmission channels for 11 operators' working places in the premises of the Central Office of the National Police in the city of Kyiv, the Head Department of the Security Service of Ukraine in the city of Kyiv and Kyivska region, the Department of Traffic Police in the city of Kyiv; created 33 automated working places with the access to video-data; modernized Cloud-platform for processing and storing data from the City's video-surveillance system;
- Ensured the development and improvement of the System for Centralized Management of Police Tactical Units "TSUNAMI": modernized Cloud-platform for processing and storing data from the City's video-surveillance system;
- Implemented the system of IP-Telephones for units of the Central Office of the National Police in the city of Kyiv;
- To warn and prevent offences of law, employees of the Department of Traffic Police in the city of Kyiv conducted:
 - 12,329 lessons in comprehensive education institutions and 1,301 – in pre-school institutions;
 - 2,160 preventive talks;
 - 2,112 meetings with administration of comprehensive education institutions and 584 – with parents;
 - 432 speeches, lectures, and discussions on legal issues in the children's environment, in particular, in education institutions and at places of teenagers' residence.

Strategic goal: 3. Preserve the historical identity and develop cultural projects in Kyiv

Sector 3.1. Historical and cultural heritage

- Prepared and inaugurated 20 memorial signs to commemorate the outstanding figures in history, culture, etc.;
- Conducted an ongoing monitoring in the Central Historical Area of the City, in the territories of protective zones of the UNESCO heritage sites: "Kyiv: St. Sophia's Cathedral with Adjacent Monastery Buildings, and Kyiv-Pechersk Lavra".

Sector 3.2. Culture

- Completed reconstruction at the cost of a philanthropist and placed into operation the building of Kyiv Academic Theater in Andriivskyi Uzviz 20 (A,B);
- Conducted current capital repairs and improved the equipment in municipal movie theaters, which promoted the creation of comfort conditions to visitors and their increased numbers;
- Performed capital repairs of three cultural and educational institutions;
- Launched a pilot project on creation of library hubs "Modern Library Space";
- Launched the project "Library + Theater", organized 30 performances based on plays of the Ukrainian and world drama;
- Stock of the City's public libraries was enlarged by 125.8 thousand books of new editions;
- Erected the monument to Olena Teliha and Her Fellows in Arms Who Fought for Independence of Ukraine in the territory of "Babyn Yar" Memorial Complex.



Indicators of the State Regional Development Strategy for the Period until 2020

Indicator		Measuring unit	Actual value 2017 ¹	Target value 2020	Performance of the indicator
Conditions of the Strategy's execution					
1	Available income per one person	UAH	111,739.5 ²	77,043	High
2	Average monthly salary (nominal)	UAH	11,135	8,825	High
3	Unemployment rate using the methodology of the World Labor Organization	%	6.7 ³	5.1	Low
4	Volume of innovation products sold, interest from total volume of industrial products sold	%	0.4 ⁴	10	-
5	Exports of goods per one person	USD	3,047.3 ⁵	5,007	High
6	Number of small entities per 10 thousand persons	Units	250 ⁶	311	Medium
7	Number of medium entities per 10 thousand persons	Units	11 ⁶	18	High
8	Volume of direct foreign investments per one person	USD	8,092.6 ⁷	12,250	Medium
9	Gross Regional Product (in actual prices) per one person	UAH	209,853 ⁸	171,142	High
10	Degree of furnishing total residential space with water supply system in the urban area	%	99.8	99.8	High
11	Relevant share of utilized wastes, interest from total amount of wastes generated	%	10.5	19.2	Medium
12	Area of lands of natural reserves	Thousand ha	14.85	17.6	High
13	Relevant share of natural reserve lands to the area of administrative and territorial unit	%	15.67	21	Medium
14	Provision of people with doctors of all specialties (per 10 thousand people at the year end)	Persons	85.0 ⁹	89.7	High
15	Death rate per 1 thousand people	Per mil	10.5 ⁹	9.1	Low
16	Demographic load per 1 thousand persons of permanent residents at the age of 16-59 years old (urban area)	Per mil	615.5	487.9	Medium
17	Coverage of children by pre-school institutions (urban area)	%	73.6 ⁹	65	High

¹ Target indicators for 2017 according to 2017 reports about results of monitoring the action plan for 2016-2017 of Implementation of the Development Strategy of Kyiv until 2025 and assess the impact of implementation of the Strategy;

² Recent available statistical data of the State Statistics Service of Ukraine #462/0/09.2ВН-17 dated 26 December 2017 № 462/0/09.2ВН-17 "Economic Activities of People for the Nine Months of 2017";

³ According to the data of official statistics for 2015. Statistical information about key indicators of innovation activities in industry for 2017;

⁴ According to the data of official statistics for January–November 2017;

⁵ Recent available statistical data of the Main Office of Statistics in the city of Kyiv for 2016;

⁶ According to the data of official statistics as of 1 October 2017;

⁷ Source: KCSA. Used projected value of GRP in the amount of UAH 209,853/resident – according to the data of the Program for Economic and Social Development of the City of Kyiv for 2018–2020, as approved by Resolution of the Kyiv City Council # 1042/4049 dated 21 December 2017;

⁸ Operational data;

⁹ As of 1 January 2017.



Performance Indicators of the Kyiv's City Development Strategy until 2025

	Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
General						
1	Gross Regional Product per resident	EUR thousand/resident	7 ²	9.4	13.3	Medium
2	WB DoingBusiness rating	Rating position	76 ³	<30	<30	Low
3	Estimated index of the comfort of life in Kyiv	Index	123	139	191	Medium
4	EIU GlobalLiveabilityRanking rating	Rating position	131 ⁴	<80	<50	Low
5	Residents of Kyiv who are proud of Kyiv	%	75	65	75	High
6	Rating of EuromonitorTop 100 CityDestinationsRanking	Rating position	>100	<70	<50	Low
Industry and entrepreneurship development						
7	Kyiv's industrial products index	%	-4.9	>7	<7	Low
8	Volume of industrial products sold per one resident	UAH thousand/resident	59.3	91	186	Medium
9	Relative share of entities engaged in innovations	%	17.3 ⁵	24	33	Low
10	Share of small entities in the City's volume of products sold (goods, services)	%	15.6 ⁶	25	35	Medium
11	Share of the EU countries in the structure of exports of Kyiv's goods and services	%	40.6 ⁷	40	50	High
12	Share of employees engaged by small entities in the total number of employed employees in the city of Kyiv	%	23 ⁶	30	40	Medium
13	Dynamics of real retail turnover per capita (in prices of the prior year)	%	- ⁸	>6	>6	-
14	Dynamics of actual revenues of the local budget from taxes paid by Kyiv's industrial entities (in prices of the prior year)	%	72.2	>0.0	>0.0	High
15	Dynamics of actual revenues of the local budget from corporate income taxes (in prices of the prior year)	%	73.8	>0	>0	High
16	Dynamics of actual revenues of the local budget from single taxes (in prices of the prior year)	%	44.7 ⁷	>0	>0	High



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator		Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Investments						
17	Capital investments per year	UAH thousand/resident	26.7 ⁷	49	77	Medium
18	Cumulative direct foreign investments	USD thousand/resident	8.1 ⁷	12	14	Low
19	Credit rating using the rating scale of S&P agency (not lower)	Credit rating	B- (stable)	BBB	BBB	Medium
20	Creating a public register of investment projects of the city of Kyiv	Yes/no	Yes	Yes	Yes	High
21	Ratio of the number of signed investment agreements to the number of filled out questionnaires of investors (via the single investment portal of the KCSA)	%	9	15	25	Medium
22	Ratio of the concluded investment agreements to the number of investment projects included into the list of items requiring investments	%	20	40	50	Low
23	Ratio of the number of investment projects included into the list of items requiring investments to the number of filled out questionnaires of initiators	%	44.4	18	25	High
Labor market						
24	Unemployment rate of people at the age of 15–70 years old (using the methodology of the ILO)	%	6.7 ⁹	5.5	3.9	Low
25	Load per one vacant working place (vacancy) at the end of the reporting period	Registered unemployed/vacancy	1.4	2.0	1.0	High
26	Average period of work search by the unemployed (using the methodology of the ILO)	Months	10 ⁶	8	6	Medium
27	Level of the official average monthly salary in the city of Kyiv (per one staffing position)	EUR/month	371.1 ¹⁰	>550	>1 100	Low
28	Employment of registered unemployed persons (average weighted by months)	% of the number of citizens with unemployment status	7 ¹¹	6	10	High
29	Share of unemployed young people at the age of up to 35 years old to the total number of registered unemployed (as of the year end)	%	34.5	35	30	High
30	Dynamics of real revenues of the local budget from personal income taxes (in prices of the prior year)	%	4.9	>0	>0	High

Source: KCSA



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Urban development and land relations					
31 Dynamics of real revenues of the local budget from immovable property taxes (in prices of the prior year)	%	24.8	>0	>0	High
32 Approved new General Plan of the City	Yes/no	No	Yes	Yes	Medium
33 Position in WB DoingBusiness rating under the category of "Obtaining Permits for Construction"	Rating position	35	<80	<50	High
34 Dynamics of real revenues of the local budget from land taxes (in prices of the prior year)	%	-2	>0	>0	Medium
35 Number of the construction items violating the urban land or construction legislation	Units	166	0	0	Low
36 Share of the City's lands covered by stock taking activities and entered to the City's land cadaster	%	87.3	100	100	Medium
37 Area of Kyiv's land plots seized with violation of the laws	ha	4.3	0	0	Medium
38 Number of land plot lease agreements under which the rental is lower than 3% of the normative monetary unit (as of the year end)	Units	1,021	780	0	Medium
39 Ratio of the amounts due on land plot rentals (as of the end of the reporting period) to the amount of rentals actually paid for land plots	%	18	<12	<10	Low
40 Ratio of the amounts due on land taxes (as of the end of the reporting period) to the amount of land taxes actually paid	%	18	<16	<10	Medium
41 Ratio of the amounts due on share interest to the amount of share interest (contributions) on development of social and engineering and transport infrastructure of the city of Kyiv and under compensation agreements on engineering preparation of the territory in accordance with concluded agreements (during the reporting period) actually paid on development of social and engineering and transport infrastructure of the city of Kyiv and under compensation agreements on engineering preparation of the territory in accordance with concluded agreements (during the reporting period), net of inflation and fines	%	288	<100	<10	Low
42 Compliance with the UNESCO requirements in respect of keeping construction treatment regimes in the buffer zones of St. Sophia' Cathedral and the Kyiv-Pechersk Lavra	Yes/no	No	Yes	Yes	Low

Source: KCSA



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator		Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Tourism						
43	Number of incoming visitors	Million persons/year	2.2	2.2	2.6	High
44	Average period of tourists' stay	Days	2.12 ¹²	2.4	3	High
45	General position of the City in NumbeoSafetyIndex rating	Rating position	123	<100	<50	Medium
46	Dynamics of real revenues of the local budget from tourist fees (in prices of the prior year)	%	7.5	>0	>0	High
47	Conducting regular annual marketing and analytical researches in the sphere of tourism	Yes/no	Yes	Yes	Yes	High
48	Average annual occupancy of rooms in collective stay places (legal entities)	%	40	45	68	High
49	Number of unique visitors of the City's tourist portal	Thousand visitors/year	32.77	130	250	Low
50	Share of tourism revenues in Kyiv's City Gross Regional Product	%	2.55 ¹²	>1.0	>2.5	High
51	Number of international information companies/events held to promote the City's tourist potential	Units/years	23	18	25	High
52	Number of places in collective stay facilities	Thousand units	22.8 ¹²	23.0	25.0	High
53	Number of uploads of KyivCityGuide mobile application to personal devices (upon creation)	Thousand units	4.8	10	25	Medium
Housing and utility services						
54	Deterioration degree of 0.4–110 kW cable lines	%	52.6	<40	<25	Medium
55	Deterioration degree of heating networks	%	69.4 ⁶	<40	<25	Medium
56	Deterioration degree of the Desna and the Dnipro water intake stations	%	90.1	<45	<25	Low
57	Deterioration degree of water supply networks	%	79.8	<45	<25	Low
58	Deterioration degree of sewage networks	%	73.5	<40	<25	Low
59	Total consumption (useful supply) of energy in the City	Thousand kWt * hour/resident	2.2	2.7	2.4	High
60	Total consumption (useful supply) of heat in the City	Gcal/resident	2.4	2.9	2.6	High
61	Total consumption of water in the City	m ³ /resident	65.7	65	58	High
62	Estimated quality of utility services to residents of Kyiv	Scores (1–5)	3.75	3.0	4.0	High
63	Share of Multi-apartment Building Co-owner Unions in the residential stock of multi-apartment buildings	%	10.4	25.0	35.0	Low



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Housing and utility services (continued)					
64 Number of old and obsolete items in Kyiv's residential stock (net of private sector) at the beginning of the reporting period	Units	101	50	0	Low
65 Share of elevators operated for more than 25 years	%	46.4	<15	<5	Low
66 Share of dispatcher-connected elevators	%	79.6	86	100	Medium
67 Share of water losses when supplied to the network	%	20.89	10	5	Low
68 Share of central heating units with useful lives in excess of 25 years	%	84.4	<40	<25	Low
69 Deterioration of 110 kW and 35 kW substations	%	78.5	<40	<25	Low
70 Deterioration of 10 kW electric transformer substations	%	64.6	<40	<25	Medium
71 Consumption of energy by municipal and household consumers of Kyiv	Million kWt * hour	2,480.3	2,055	1,838	Low
72 Average number of energy outages per one consumer during the year	Units	1.6	1.6	1.4	High
73 Average length of energy outages	Hours	2.63	2.7	2.1	High
74 Degree of equipment of residential stock with metering devices	%	81.4	89.0	99.0	High
75 Degree of equipment of residential stock with individual heating units	%	28.3	34.3	43.0	Medium
76 Consumption of heat energy by budget institutions and organizations of Kyiv	Thousand Gcal	1,052.1	964	862	Low
77 Degree of equipment of budget institutions and organizations of Kyiv with heat consumption regulating systems	%	95.5	96	97	High
78 Share of residential stock serviced by private housing and utility organizations	%	20.89	30.0	50.0	Medium
79 Average length of rendering services by Municipal Concern "Municipal Service Center" (from the moment of a consumer's registration in an electronic queue)	Minutes	— ¹³	10	7	—
Transport and urban mobility					
80 Share of people spending not more than 45 minutes on transport transfer: "home – work" and "work – home" (one way)	%	77 ¹²	82	90	Low



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Transport and urban mobility (continued)					
81 Motor vehicle utilization rate	Rate	0.9 ¹²	0.7	0.5	Low
82 Number of fatalities in traffic accidents	Persons/ 100 thousand residents	5.2	3.3	2.3	Low
83 Distribution of travels by transport types (modal split)	% foot-passengers/ % bicycle/ % public transport/% motor vehicle	35/0/37/ 28 ¹²	33/3/37/ 27	32/5/37/ 26	Medium
84 Length of lines of municipal public electric transport (tram, trolleybus)	km/100 thousand residents	41.7	47.2	51.0	Medium
85 Performing annual independent audits of the financial statements of ME "Kyivpastrans", ME "Kyivskyi Metropolitien", MC "Kyivavtodor", ME "Kyivtransparkservice", with further publication of auditor's reports on official web-sites	Yes/no	Yes	Yes	Yes	High
86 Average daily number of passengers of non-rail public transport	Passengers/ vehicle	1,184	1,137	1,274	High
87 Volume of carbon dioxide emissions released by vehicles	Tons/ thousand residents	- ¹⁴	605	541	-
88 Share of tram and trolleybus overhead contact systems that require cable replacements	%	62	<40	<25	Low
89 Average deterioration level of metro rolling stock	%	65.03	<45	<25	Medium
90 Average deterioration level of trolleybus rolling stock	%	55	<25.5	<25.0	Low
91 Average deterioration level of tram rolling stock	%	82	<45	<25	Low
92 Average deterioration level of bus rolling stock	%	66	<40	<25	Low
93 Share of dedicated traffic lanes for ground public transport to total length of the City's main lines	%	19.2	10	18	High
94 Length of bicycle lines	km/100 thousand residents	1.9	4.7	16.1	Low
95 Share of regulated crossroads equipped with means for registering traffic offences and video surveillance systems	%	6	20	100	Low
96 Average annual number of paid hours of daily parking	Hours/ parking space	482	1,100	2,000	Low



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Transport and urban mobility (continued)					
97 Coverage of registered motor vehicles in the city of Kyiv by parking spaces	Parking spaces/ 1 thousand registered motor vehicles	1.7	4.0	8.0	Low
98 Number of licensed taxi vehicles	Units/10 thousand residents	0.6	2.0	4	Low
99 Share of transportations by small size buses to total number of passenger transportations	%	12	18	13	High
Social security and care					
100 Ratio of disparity of total household income (decile)	Times	2.9	2.7	2.5	Medium
101 Number of municipal social utilities that require capital repairs	Units	16	<10	<5	Medium
102 Average length of stay on housing records of socially unprotected citizens (at the moment of receiving housing)	Years	12	8	5	Low
103 Provision with social services	%	48	25	50	High
104 Relative share of orphan children and children deprived of parents' care who are brought up using family-type education to total number of children of this category	%	92.5	93	95	High
105 Poverty rate in the city of Kyiv (using a relative criterion – 75% of median aggregate expenses of households)	%	10.1 ¹⁵	<7	<5	Medium
106 Share of privileged persons on housing records who were provided by housing (or improved housing conditions) during the year (from total number of those who were on housing records at the beginning of the year)	%	0.52	2.0	5.0	Low
107 Share of orphaned children deprived of parents' care and those from them who received housing during the year (from total number of those who were on privileged housing records for this category) at the beginning of the year	%	6.4	8.6	15.6	Medium
108 Percent of municipal entities and social, cultural, medical, educational, sports, retail, and administrative institutions that ensure accessibility and comfort for persons with disabilities	%	82	100	100	Medium



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Social security and care (continued)					
109 Created single information and analytical system for registering the citizens who receive privileges, benefits, social services or found themselves in complicated life circumstances	Yes/no	No	Yes	Yes	Medium
110 Share of persons who were entered into the single information and analytical system for registering the citizens who receive privileges, benefits, social services or found themselves in complicated life circumstances to total number of such persons (upon creation)	%	0	100	100	Low
Health protection and healthy lifestyle					
111 Estimated length of life at birth	Years	74.2 ¹²	75	77	High
112 Mortality of people of working age	Instances/1 thousand residents	3.7 ¹²	3.0	2.6	Medium
113 Index of health care assigned by Numbeo	Rating position	153	<100	<50	Medium
114 Ratio of salary in health care industry to average salary in the city of Kyiv	%	58.3 ¹²	75	100	Medium
115 All specialty doctors medical service density	Persons/10 thousand residents	85.0 ¹²	90	95	Medium
116 Share of municipal non-commercial entities in the structure of municipal health care institutions	%	29 ¹²	50	100	Medium
117 Share of Kyiv's City budget expenditures to physical culture and sports in general expenditures of Kyiv's budget	%	0.9	1.8	2.5	Low
118 Number of Kyiv's people covered by all types of health and fitness work	%	13.5	18	25	Low
119 Share of children who study in children's and youth sports schools to total number of children at the age of up to 17 years old	%	12.9	17	25	Low
120 Mortality of children at the age of up to 1 year old	Instances/1 thousand newly born	5.62 ¹²	5.5	4.0	Low
121 Provision with emergency medical service teams	Units/10 thousand residents	0.6 ¹²	0.8	1.0	High
122 Degree of deterioration of emergency medical service vehicle fleet	%	50 ¹²	<40	<25	Medium
123 Timeliness of providing emergency medical services (share of arrivals up to 10 minutes in urgent cases)	%	88.3 ¹²	94	98	Medium



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Health protection and healthy lifestyle (continued)					
124 Dynamics of sick rate of adult population in the city of Kyiv (per 10,000 people at the age of 18 years old and more)	%	0.1 ¹²	<0.0	<0.0	Medium
125 Average periods of treatment using in-patient hospital beds	Days	10.0 ¹²	8.0	6.0	Medium
126 Coverage of people with disabilities by all types of physical culture and fitness work	%	1	2	5	Medium
127 Share of gyms and sports grounds of comprehensive schools that are used in free time for trainings of children's and youth sports schools	%	50	55	70	Medium
128 Share of children's and youth sports schools in the city of Kyiv that have own training complexes	%	28	22	25	High
Ecology policies and environmental protection					
129 Contaminating substance emissions into the air for the year	Tons/km ² /year	41	183	164	Low
130 Share of utilized wastes (from total volume of generated wastes)	%	10.5	10	25	High
131 Area of natural and reserve lands	Thousand ha	14.85	16	20	Medium
132 Provision with green areas of public use	m ² /resident	22.85	23.0	25.0	High
133 Share of burnt wastes (from total volume of generated wastes)	Ratio	22.0	19.0	22.0	High
134 Dynamics of the volume of domestic wastes accumulated in special places in relation to the prior year (estimated by volume)	%	5	<5	<0	Medium
135 Share of separately collected solid domestic wastes using a two-container scheme (from total volume of generated solid domestic wastes)	%	6.2	7.5	10	Medium
136 Air Pollution Index about the City	Relative units	High ¹⁶	Increased	Low	Low
137 Share of water bodies in Kyiv where ecological state of water is monitored in accordance with the requirements of EU Water Framework Directive 2000/60/EC	%	35	50	100	Medium
Public space					
138 Number of temporary constructions for conducting business activities	Units/1 thousand residents	2.4	2.3	2.1	High



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator		Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Public space (continued)						
139	Share of illegal temporary constructions for conducting business activities (from total number of such items)	%	24.7	<5.0	<5.0	Low
140	Total area of advertising carriers in the city of Kyiv	Thousand m ²	479	386	288	Low
141	Share of illegal advertising carriers (from total number of such items) in the city of Kyiv	%	75	<15	<15	Low
142	Ratio of the number of places in shelters for homeless animals to total number of such animals	%	25	35	100	Medium
143	Implemented instrument "I Am an Inspector of Provided Urban Amenities"	Yes/no	No	Yes	Yes	Low
144	Share of modular gas-filling stations in the city of Kyiv installed with violation of the Rules of Providing Urban Amenities in the City of Kyiv (from total number of such items)	%	12	0	0	Medium
145	Share of dismantled modular gas-filling stations from the number of identified modular gas-filling stations installed with violation of the Rules of Providing Urban Amenities in the City of Kyiv	%	88	100	100	Medium
146	Number of advertising carriers in the city of Kyiv	Units/km ²	68.4	31.2	29.9	Low
147	Number of the City's beaches equipped with the infrastructure for people with disabilities	Units	6	3	7	High
148	Number of sports grounds on the City's beaches	Units	7	10	15	Medium
149	Number of neutering held for homeless animals (to the number of animals recorded in the database during the reporting period)	%	100	100	100	High
150	Share of adopted homeless animals from total number of animals recorded in database (at the end of the reporting period)	%	30	60	100	Medium
Administrative services						
151	Average waiting time of an applicant in queues of ASCs	Minutes	30	20	15	Medium
152	Share of administrative services rendered electronically to total list of administrative services provided via ASCs in the city of Kyiv (at the end of the reporting period)	%	3.3	>20.0	>50.0	Low
153	Number of ASCs in the city of Kyiv (centers and their territorial units)	Units	15	20	35	Medium
154	Capacity of ASCs	Visitors/day	8,500	7,900	10,000	High



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Administrative services (continued)					
155 Ratio of average salary of ASC's administrator to average monthly nominal salary in the city of Kyiv	%	126	>90	>100	High
156 Implementation of Resolution of the KCC "On Determining Lists of Administrative Services via ASCs in the City of Kyiv" in Kyiv's ASCs	%	100	100	100	High
157 Share of positive feedbacks on the work of ASCs	%	70	>70	>80	High
Education					
158 Number of children in pre-schools by 100 places	Children	122 ¹²	112	100	Medium
159 Average score of External Independent Testing results in the city of Kyiv by all subjects	Scores	153.5	161.0	170.0	Medium
160 Number of Kyiv's comprehensive secondary schools in the rating of TOP-100 educational institutions based on the results of External Independent Testing in Ukrainian Language and Literature	Units	17	32	35	-
161 Number of off-school research and technical circles	Units/ number of comprehensive schools	2.1	1.5	2.0	High
162 Coverage of children by off-school education	%	30	36	40	Medium
163 Share of private pre-schools in the total number of pre-schools in the city of Kyiv	%	15	15	25	High
164 Share of private comprehensive secondary schools in the total number of comprehensive secondary schools in the city of Kyiv	%	11	12	15	High
165 Number of classes with inclusive education	Units	223	143	202	High
166 Provision of comprehensive secondary school students with computers	Computers/ 100 students	22	15	25	High
167 Level of average monthly salary of educators in respect of average monthly salary in the city of Kyiv	%	70	>80	>100	Medium
Security and public safety					
168 Number of crimes in the City	Crimes/1 thousand residents	22.4	17.8	13.7	Low
169 Stock taking of civil protection facilities in the city of Kyiv and bringing them to working condition	Yes/no	Yes	Yes	Yes	Medium



Performance Indicators of Kyiv's City Development Strategy until 2025 (continued)

Indicator		Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Security and public safety (continued)						
170	Relative share of cleared cases in the total number of identified crimes in the current year	%	24	30	40	Medium
171	Confidence of people in the police	%	29	55-70	70-85	Low
172	Average waiting time to arrival of a police tactical unit	Minutes	12	<14	<10	High
173	Number of registered crimes against life and health of a person	Crimes/10 thousand residents	10	11	8	High
Historical and cultural heritage						
174	Number of cultural heritage sites that require capital repair and restoration works	Units	390	250	0	Medium
175	Number of cultural heritage sites included in the List of UNESCO's World Heritage	Units	1	2	4	Medium
176	Share of cultural heritage items to which all required recording documents of the new form	%	49	100	100	Low
177	Dynamics in the number of cultural heritage items in the city of Kyiv	%	0.0	>0.0	>0.0	Medium
178	Creating a public City's electronic catalogue of items of history, monumental arts, architecture, and archeology	Yes/no	No	Yes	Yes	Medium
179	Creating Internet Portal "Cultural Heritage of Kyiv" and an interactive map of cultural heritage sites in the city of Kyiv	Yes/no	No	Yes	Yes	Medium
180	Number of unique visitors of Internet Portal "Cultural Heritage of Kyiv" (upon its creation)	Thousand visitors/year	0	125	250	Low
181	Share of the City's cultural heritage sites entered to public City's electronic catalogue of items of history, monumental arts, architecture, and archeology	%	0	100	100	Low
Culture						
182	Number of municipal entities of culture and arts that require capital repairs	Units	4	5	0	Medium
183	Number of paid visits to museums	Visitors/ residents of the City	0.14	0.7	2.8	Low
184	Number of paid visits to theaters	Visitors/ residents of the City	0.25	0.5	1.2	Low



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator		Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Culture (continued)						
185	Number of concerts	Units	577	593	774	High
186	Number of Kyiv's residents – winners of international artistic and creative contests (including creative workers of municipal cultural institutions, students of municipal primary specialized and higher artistic education institutions)	Persons per year	1,924	>2,500	>3,500	Medium
187	Number of excursions (in municipal museums of Kyiv)	Units/1 thousand residents	8	8	10	High
188	Number of exhibitions (in municipal museums of Kyiv and central municipal libraries)	Units/100 thousand residents	30	18	23	High
189	Ratio of average monthly salary of cultural sphere employees to average monthly salary in the city of Kyiv	%	78.4	85	100	Medium
Conditions of the Strategy's execution						
190	Interest of planned indicators performed in respect of funding municipal special purpose programs developed with the purpose of executing the Kyiv's Development Strategy until 2025	%	156.8	80	100	High
191	Ratio of budget and off-budget sources of actual funding under municipal special purpose programs developed with the purpose of executing the Kyiv's Development Strategy until 2025	% / %	52.2/47.8	80/20	75/25	Medium
192	Ratio of debt servicing (interest of debt servicing expenditures to own revenues of the City)	%	2.4	5.3	4.0	High
193	Share of own revenues of the City (interest to general revenues of the City)	%	71.8	72.5	75.0	High
194	Ratio of actual tax collection	%	101.6	100.0	100.0	High
195	Implementation of on-line service for assessing the KCSA's activities	Yes/no	No	Yes	Yes	Medium
196	Approval of the Kyiv's Mayor's activities (based on social survey results)	% of "Approve"	31	>50	>50	Medium

Source: KCSA



Performance Indicators of the Kyiv's City Development Strategy until 2025 (continued)

Indicator	Measuring unit	Actual value 2017 ¹	Projected value 2020	Target value 2025	Performance of the indicator
Conditions of the Strategy's execution (continued)					
197 Approval of activities of the executive body of the Kyiv City Council (the KCSA) (based on social survey results)	% of "Approve"	13	>50	>50	Low
198 Share of considered electronic petitions (officially responded by the KCSA), including those supported by (covering the set barrier)	%	100	100	100	High
199 Number of unique visitors of the KCSA's Internet Portal	Thousand visitors/year	900	650	750	High
200 Number of regular positions in the structural units of the KCSA and district state administrations (as of the end of the reporting period)	Persons/10 thousand residents	18.7	16	14	Medium
201 Implementation the COSO internal control system	Yes/no	No	Yes	Yes	Medium
202 Level of depreciation of the property, plant, and equipment owned by the territorial community of Kyiv in accordance with the combined/consolidated financial statements of the city of Kyiv (as of the end of the reporting period)	%	60.1	35	25	Low
203 Creating a public register of Kyiv's assets	Yes/no	Yes	Yes	Yes	Medium

¹ Target indicator values for 2017 in accordance with the 2017 reports on monitoring results of the activities for 2016-2017 in execution of the Kyiv's Development Strategy until 2025 and assessment of the Strategy's realization efficiency;

² Source: KCSA. Used projected GRP value in the amount of UAH 209,853/resident – based on the data of the Kyiv's Economic and Social Development Program for 2018–2020, as approved by Resolution of the Kyiv City Council # 1042/4049 dated 21 December 2017, and information of the National Bank of Ukraine (https://bank.gov.ua/control/uk/publish/category?cat_id=7693080);

³ Source: <http://doingbusiness.org/rankings>;

⁴ Source: <http://imco.org.mx/wp-content/uploads/2017/08/Liveability-Ranking-Free-Summary-Report-August-2017.pdf>;

⁵ In 2015, the methodology for calculating indicators of innovation activities of industrial enterprises was changed, therefore, comparing indicators with the prior period is incorrect. No examination of innovation activities of industrial enterprises was performed by statistical bodies for 2016, information for 2017 will be made public in May 2018;

⁶ Recent available statistical data of the Main Office of Statistics in the city of Kyiv for 2016;

⁷ According to the data of official statistics for January–September 2017;

⁸ After February 2017, the indicator is not calculated, no statistical observation of this indicator is performed;

⁹ Recent available statistical data of the State Statistics Service of Ukraine # 462/0/09.2ВН-17 dated 26 December 2017 № 462/0/09.2ВН-17 "Economic Activities of People for the Nine Months of 2017";

¹⁰ Calculated using the average statistical exchange rate of EUR established by the NBU for 2017 (UAH 3,000.42/EUR 100). Average monthly salary under the data of official statistics for January–December 2017 – UAH 111,135;

¹¹ According to the data of Kyiv's City Employment Center;

¹² Operational data for 2017;

¹³ Information is expected in Quarter II 2018;

¹⁴ In 2016, no estimation is performed about volumes of contaminating substance emissions from mobile sources by the Main Office of Statistics in the city of Kyiv;

¹⁵ For Half Year I 2017, according to the data of the Ministry Of Social Policies of Ukraine;

¹⁶ According to the data of State Statistics Service of Ukraine for the six months of 2017;

¹⁷ Rating of TOP-100 education institutions based on the results of External Independent Testing in Ukrainian Language and Literature was determined only once, in 2015.



5. Social and Economic Development Indicators in 2017



Social and Economic Development Indicators in 2017

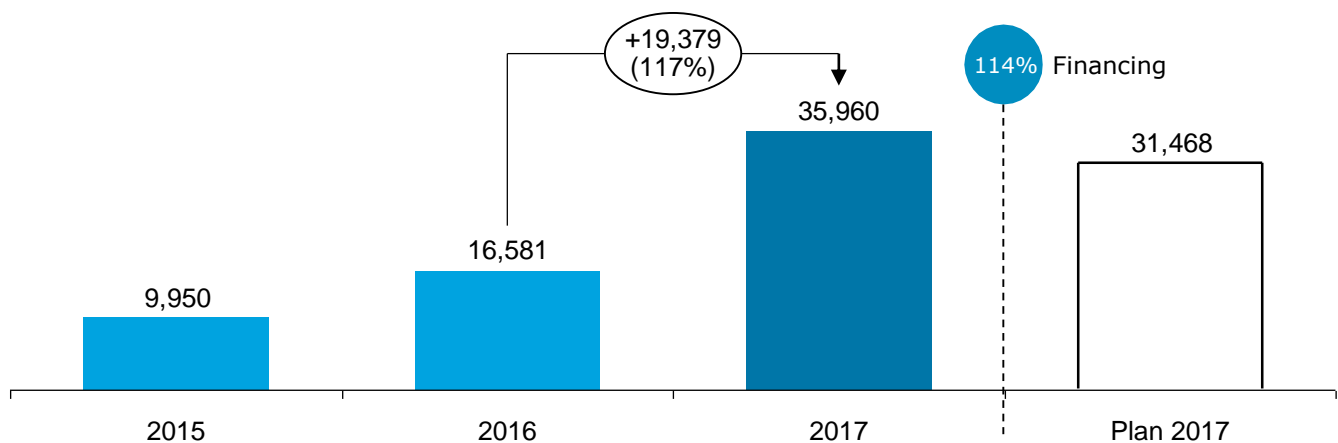
Over-fulfilled revenue plan by 10% and reduced loss ratio of municipal entities led to the growth in total net profits.

Volume of actual funding to municipal special purpose programs amounted to UAH 36 billion, which was by UAH 4.5 billion more than the planned figures and by 117% more than actual financing in 2016.












In 2015–2018, the highest execution figures of 373% were reached under the comprehensive municipal special purpose program on the promoted development of entrepreneurship, manufacturing, and consumer market (mostly at the expense of the Fund of the State Obligatory Social Insurance of Ukraine in case of unemployment, funds of financial and credit institutions, industrial and municipal enterprises, attracted funds from investors).

Financing of all special purpose municipal programs amounted to 139%.

Funding of municipal special purpose programs [UAH million, %]



Financing and executing budget on municipal special purpose programs by areas [UAH million, %]

Area	Actual	Financed, %	Share, %	Actual	Plan	Financed, %	Share, %
 Economic development	1,925	54%	12%	15,461	4,148	373%	43%
 Infrastructure	1,358	24%	8%	2,485	10,521	24%	7%
 Health care	1,978	87%	12%	1,382	1,507	92%	4%
 Social care	1,177	35%	7%	1,597	3,950	40%	4%
 Security	110	74%	<1%	111	200	56%	<1%
 Education	8,448	94%	51%	12,317	8,871	139%	34%
 Tourism	9	16%	<1%	15	54	28%	<1%
 Culture	1,385	96%	8%	1,854	1,356	137%	5%
 Science, technologies, and innovations	112	73%	<1%	589	680	87%	2%
 Environment and environmental security	13	68%	<1%	28	52	54%	<1%
 Other municipal special-purpose programs	66	92%	<1%	121	129	94%	<1%
Total	16,581	64%	100%	35,960	31,468	114%	100%

Source: KCSA



List of Special Purpose Municipal Programs that Were Effective in the City of Kyiv in 2017

#	Name of special purpose municipal programs that were effective in 2017	Document according to which the program was approved
Economic development		
1	Comprehensive Kyiv's City special purpose program for promotion of development entrepreneurship, industry and consumer market development at 2015-2018 years	Resolution of the Kyiv City Council # 409/1274 dated 16 April 2015
Infrastructure		
2	Comprehensive special purpose program for improving energy efficiency and developing housing and municipal infrastructure in the Kyiv City for 2016-2020 years	Resolution of the Kyiv City Council # 232/232 dated 17 March 2016
3	Special Purpose Program "Drinking Water of the City Kyiv for the Period of 2011-2020"	Resolution of the Kyiv City Council # 220/5032 dated 4 November 2010
Health care and healthy life style		
4	Special purpose municipal program "Health of Kyiv Citizens" for the period from 2017 to 2019	Resolution of the Kyiv City Council # 781/1785 dated 22 December 2016
5	Special purpose municipal program on health improvement and recreation for Kyiv's City children for the period to 2018	Resolution of the Kyiv City Council # 21/21 dated 3 July 2014
6	Special purpose municipal program on medical staff training for health care institutions of the city of Kyiv for the period of 2011-2018	Resolution of the Kyiv City Council # 9/5396 dated 17 February 2011, as subsequently amended under # 693/5396 dated 14 December 2017
7	Special purpose municipal program on medical staff training for health care institutions of the city of Kyiv for the period of 2011-2018	Resolution of the Kyiv City Council # 870/870 dated 28 July 2016
8	Special purpose municipal program on combatting tuberculosis for the period of 2017-2021	Resolution of the Kyiv City Council # 537/1541 dated 8 December 2016
9	Special purpose municipal program on combatting HIV infection for the period of 2017-2021	Resolution of the Kyiv City Council # 538/1542 dated 8 December 2016
Social security and care		
10	Program for employment of Kyiv's population for the period to 2017	Resolution of the Kyiv City Council # 27/9615 dated 2 October 2013
11	Special Purpose Municipal Program "Social Partnership" for the period of 2016-2018	Resolution of the Kyiv City Council # 89/89 dated 11 February 2016
12	Special Purpose Municipal Program "Children. Family. Capital City" for the period of 2016-2018	Resolution of the Kyiv City Council # 90/90 dated 11 February 2016
13	Special Purpose Municipal Program "Care. Toward Kyivans" for the period of 2016-2018	Resolution of the Kyiv City Council # 116/116 dated 3 March 2016
14	Program for construction (purchase) of affordable housing in the city of Kyiv for the period of 2010-2017	Resolution of the Kyiv City Council # 30/4842 dated 16 September 2010
15	Comprehensive special purpose municipal program on prevention and combatting crime in the city of Kyiv "Safe Capital City" for the period of 2016-2018	Resolution of the Kyiv City Council # 334/334 dated 14 April 2016
16	Special purpose municipal program for development of the territorial sub-system of the unified state civil protection system in the city of Kyiv for the period of 2017-2019	Resolution of the Kyiv City Council # 540/1544 dated 8 December 2016



List of Special Purpose Municipal Programs that Were Effective in the City of Kyiv in 2017 (continued)

#	Name of special purpose municipal programs that were effective in 2016	Document according to which the program was approved
Education		
17	Comprehensive Special Purpose Municipal Program "Education of Kyiv. Years of 2016-2018"	Resolution of the Kyiv City Council # 125/125 dated 3 March 2016
Tourism		
18	Special purpose municipal program on tourism development in the city of Kyiv in the period of 2016-2018	Resolution of the Kyiv City Council # 91/91 dated 11 February 2016
Culture		
19	Comprehensive Special Purpose Municipal Program "Culture of the Capital City: 2016-2018"	Resolution of the Kyiv City Council # 323/323 dated 14 April 2016
Science, technologies, and innovations		
20	Comprehensive Special Purpose Municipal Program "Electronic Capital City" for the period of 2015-2018	Resolution of the Kyiv City Council # 654/1518 dated 2 July 2015
Ecology and environment		
21	Kyiv's special purpose municipal program on control of keeping domestic animals and regulating the number of homeless animals using humane methods for the period of 2017-2019	Resolution of the Kyiv City Council # 684/3691 dated 14 December 2017
22	Program on using and protection of Kyiv's City lands for the period of 2016-2020	Resolution of the Kyiv City Council # 729/729 dated 14 July 2016
Other special purpose municipal programs		
23	Special Purpose Municipal Program "Managing Municipal Property Facilities Owned by the Territorial Community of the City of Kyiv for the Period of 2016-2018"	Resolution of the Kyiv City Council # 951/1955 dated 23 February 2017
24	Special Purpose Municipal Program "Promoting the Development of Civic Society in the City of Kyiv for the Period of 2017-2019"	Resolution of the Kyiv City Council # 536/1540 dated 8 December 2016
25	Special purpose municipal program on strengthening and development of international relations for the period of 2015-2018	Resolution of the Kyiv City Council # 73/938 dated 12 December 2015
26	Special Purpose Municipal Program "Awards" for the period of 2017-2019	Resolution of the Kyiv City Council # 793/1797 dated 22 December 2016
27	Special Purpose Municipal Program "Kyiv Informational" for the period of 2016-2018	Resolution of the Kyiv City Council # 333/333 dated 14 April 2016
28	Special Purpose Municipal Program "Improving the Organization of Citizens' Preparation to Military Service, Assigning to Enlistment Office, Enlisting to Forced Military Service, Mobilizing of the Liable for Service, Accepting for Under Contracts" for 2016-2018	Resolution of the Kyiv City Council # 859/859 dated 28 July 2016



5.1. Demography

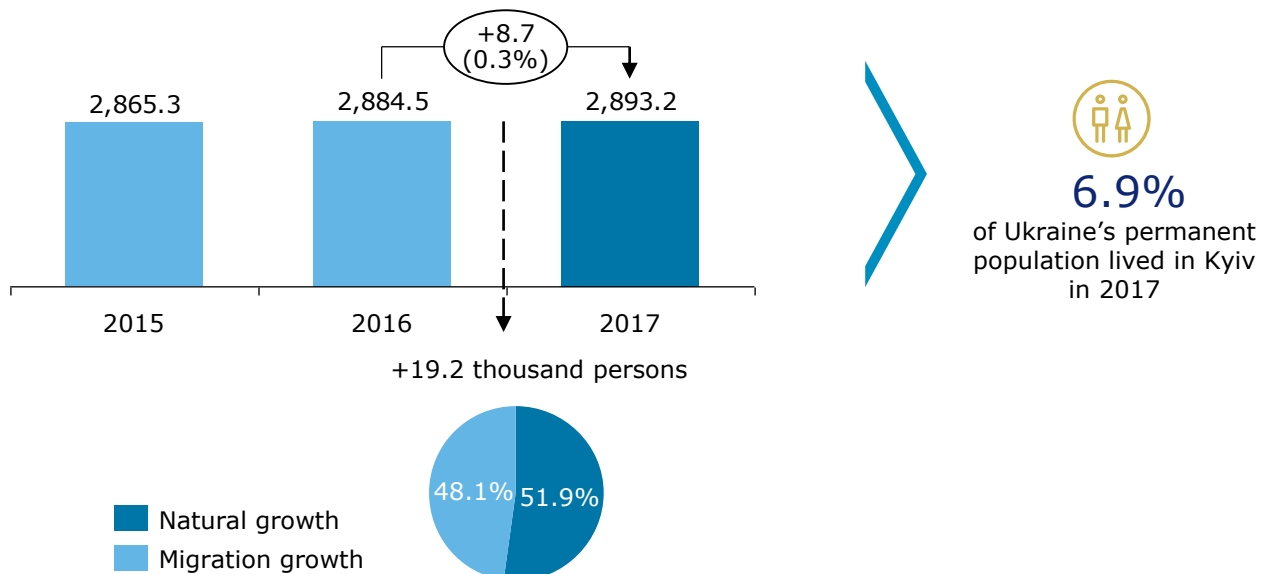


Demography

Estimated permanent population in the city of Kyiv increased by 8.7 thousand persons – to 2,893.2 thousand persons.

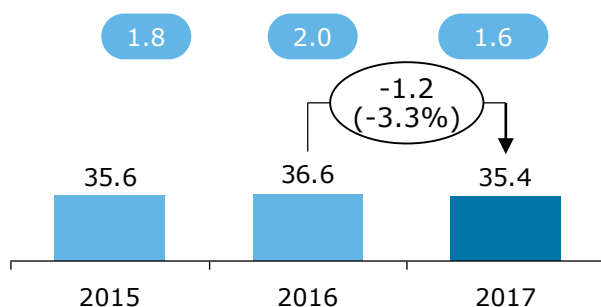
The number of permanent resident population in the city of Kyiv increases at a modest rate. Key drivers of growth in population include migration and natural increases.

Permanent population of Kyiv [thousand persons]



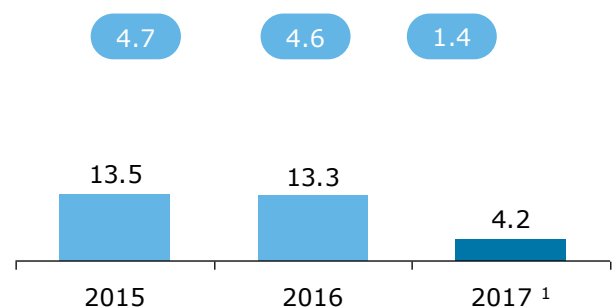
Number of the newly born in Kyiv [thousand persons]

Natural increase ratio



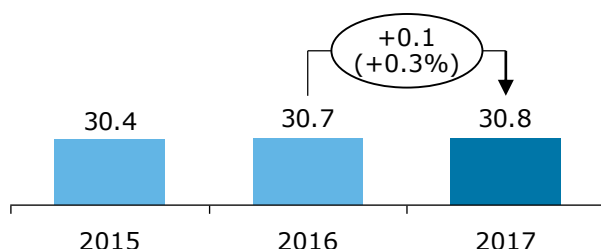
Migration increase [thousand persons]

Migration increase ratio



The number of births registered in Kyiv in 2017 decreased by 1,210 persons as compared to the prior year. The number of deaths in the city of Kyiv in 2017, compared to the prior year, grew by 142 persons.

Number of the deceased in the city of Kyiv [thousand persons]



¹ Comparison of data with relevant data from previous periods is incorrect, they are not equal, by the decision of the Cabinet of Ministers of Ukraine of 30.06.17 No. 665 amended the procedure for obtaining information by the state statistics authorities regarding the registration of the place of residence. Calculated (estimated) and actual values may differ due to rounding.
Source: KCSA, <http://www.kiev.ukrstat.gov.ua>



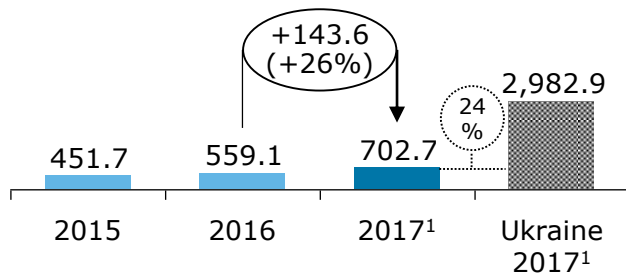
5.2. Economic Development



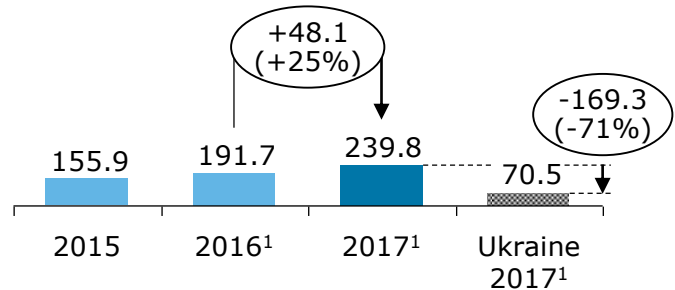
Gross Regional Product and Consumer Prices

In 2017, Kyiv's Gross Regional Product was estimated to grow by UAH 143.6 billion to UAH 702.7 billion.

Gross Regional Product of the city of Kyiv in actual prices [UAH billion]

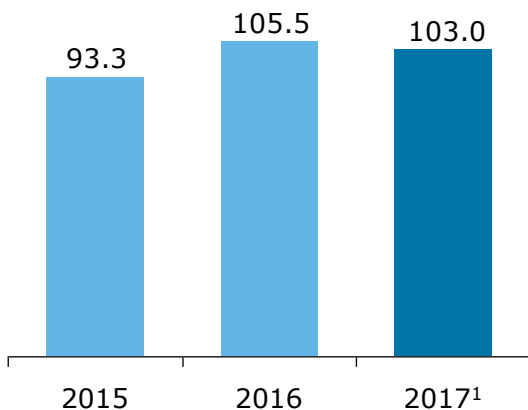


Gross Regional Product of the city of Kyiv in actual prices per capita [UAH thousand/resident]

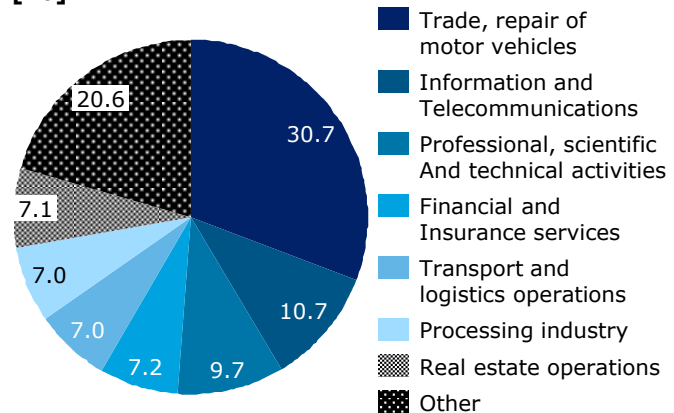


Share of Kyiv's Gross Regional Product in actual prices amounted to 24% of GDP of Ukraine. Kyiv's Gross Regional Product in actual prices per 1 resident exceeded the all-Ukrainian indicator by UAH 169.6 thousand.

Real Gross Regional Product in previous year prices [% to the prior year]



Structure of gross added value by type of economic activities in 2016, estimated data [%]



Growth of consumer prices [December 2017 vs December 2016; %]

Category of goods/services	2015 Rate growth [%]	2016 Rate growth [%]	2017 Rate growth [%]
Food and alcohol-free beverages	40.9%	4.8%	19.7%
Alcohol beverages and tobacco products	25.1%	18.4%	20.8%
Clothes and footwear	35.4%	-1.0%	-9.0%
Housing, water, energy, gas, and other fuels	64.3%	54.0%	8.0%
Household appliances, consumer electronics, and current maintenance of housing facilities	37.0%	5.6%	3.2%
Health care	28.4%	8.8%	9.3%
Transport	29.3%	10.9%	16.7%
Communication	8.4%	7.3%	5.2%
Recreation and culture	42.3%	6.1%	5.4%
Education	25.1%	16.5%	10.7%
Restaurants and hotels	21.9%	12.5%	12.4%
Miscellaneous goods and services	33.8%	4.0%	4.3%
Growth in consumer prices	38.6%	14.0%	13.4%

¹ Data for 2017 are preliminary
Calculated and actual values may differ due to rounding.
Source: <http://www.kiev.ukrstat.gov.ua>, <http://www.ukrstat.gov.ua>

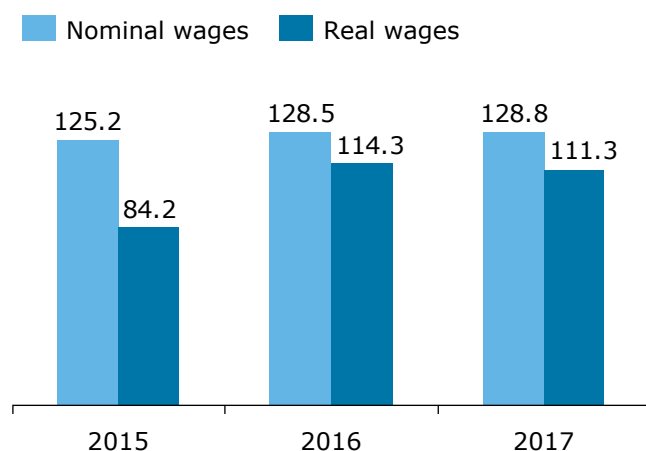


Labor Market

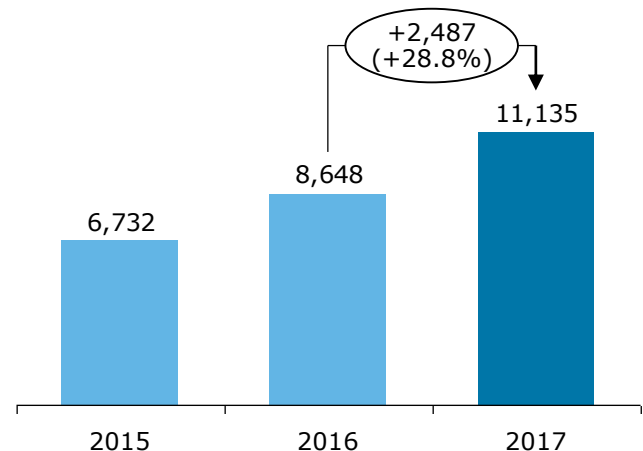
Index of employment in the city of Kyiv was relatively higher than in other regions of Ukraine, however, in 2017, it demonstrated a slight decrease.

In 2017, dynamics of the nominal average monthly salary continued to demonstrate positive growth trends, by showing the growth of 29% during the year. At the same time, there is a slight tendency of the nominal wage index growth and the gradual tendency slowdown of a rapid growth of the real wage index, which equaled to 111.3% in year 2017. The number of registered unemployed has noticeably decreased.

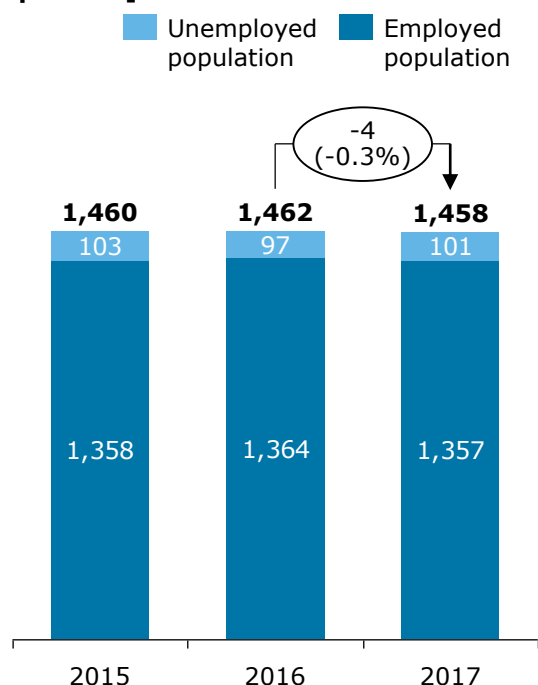
The rate of growth/decrease in nominal and real wages index [% to the prior year]



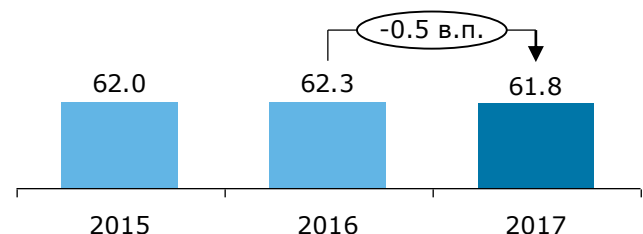
Nominal average monthly salary [UAH/month]



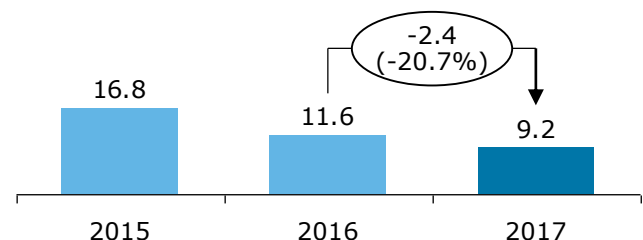
Economically active population in the city of Kyiv in the age of 15–70 years old [thousand persons]



Employment rate of the population in the age of 15–70 years old [% of population of the relevant age group]



Registered unemployed persons, at the end of the period [thousand persons]



Note: p.p. - percentage point

Calculated and actual values may differ due to rounding.

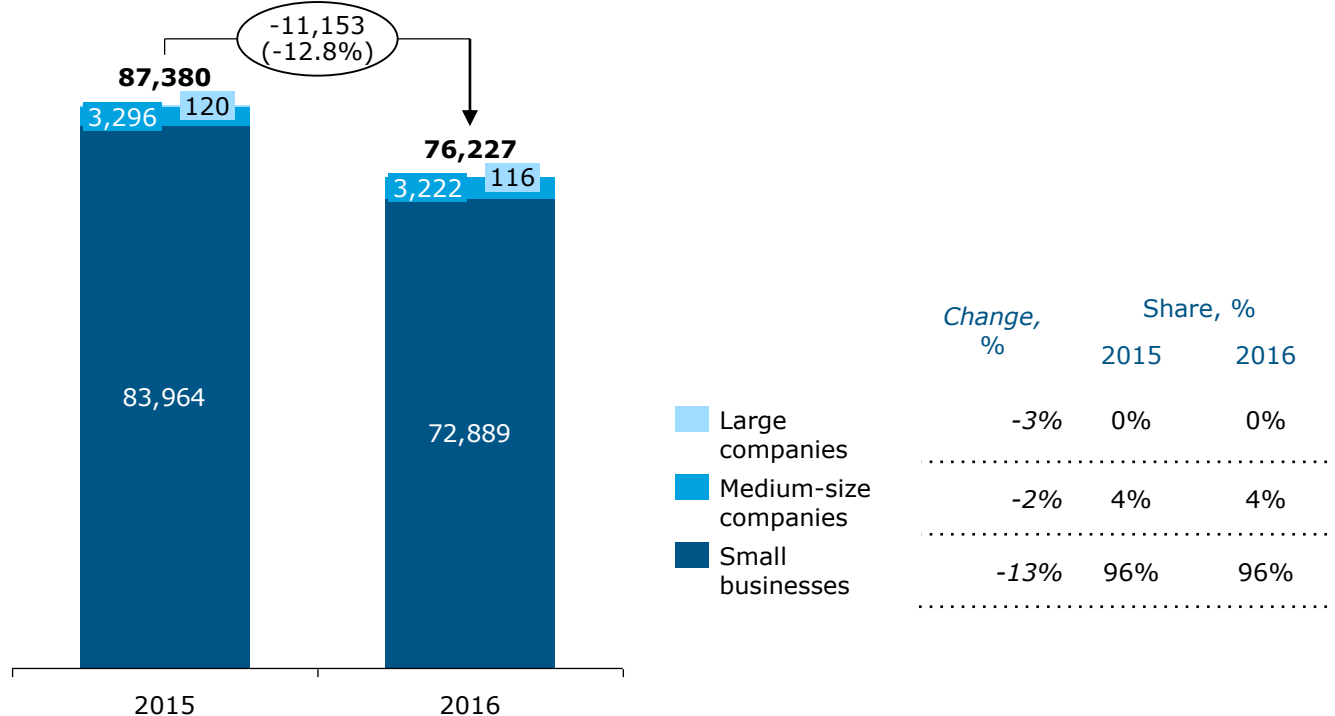
Source: Department of Economy and Investments of the KCSA, <http://www.kiev.ukrstat.gov.ua>



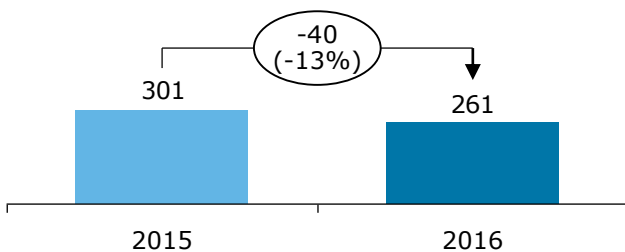
Entrepreneurship

In 2017, the volume of revenues to the budget from taxes and duties of business entities increased by 20%.

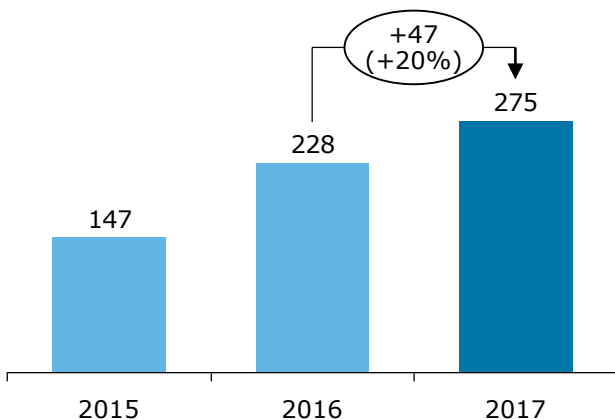
The quantity of companies by size and type of economic activity¹ [units]



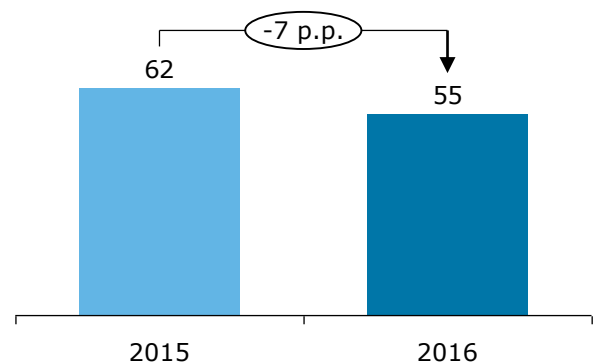
The quantity of small and medium-sized businesses [units/10 thousand persons]



Budget revenues from taxes and levies imposed on businesses [UAH billion]



The share of employed persons in the small and medium-size companies to total employed population in Kyiv [%]



Note: p.p. - percentage point

¹ Data for 2017 are preliminary and will be modified by the October 23, 2018.

Source: Department of Industry and Entrepreneurship Development of the KCSA, <http://www.kiev.ukrstat.gov.ua>, ДФС



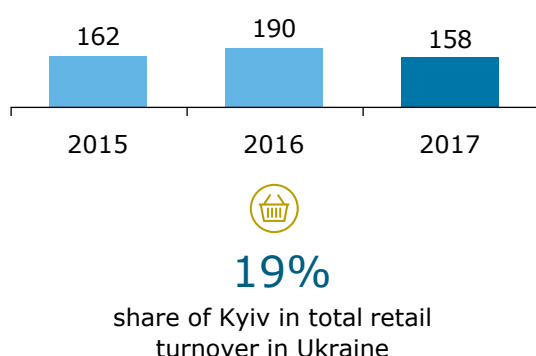
Consumer Market

Retail turnover in 2017 amounted to UAH 158 billion.

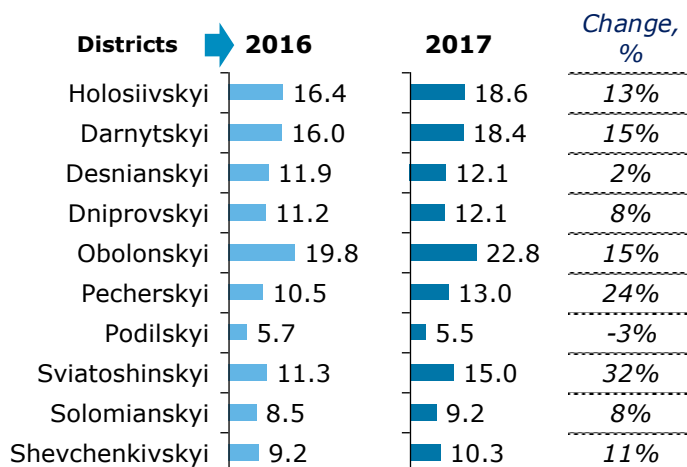
Retail

Indicator of Kyiv's retail turnover volume in 2017 demonstrated growth by 9.7% compared to 2016. In 2017, the retail turnover increased in all districts of Kyiv, except for Podilskyi district where the indicator's value decreased by 3%.

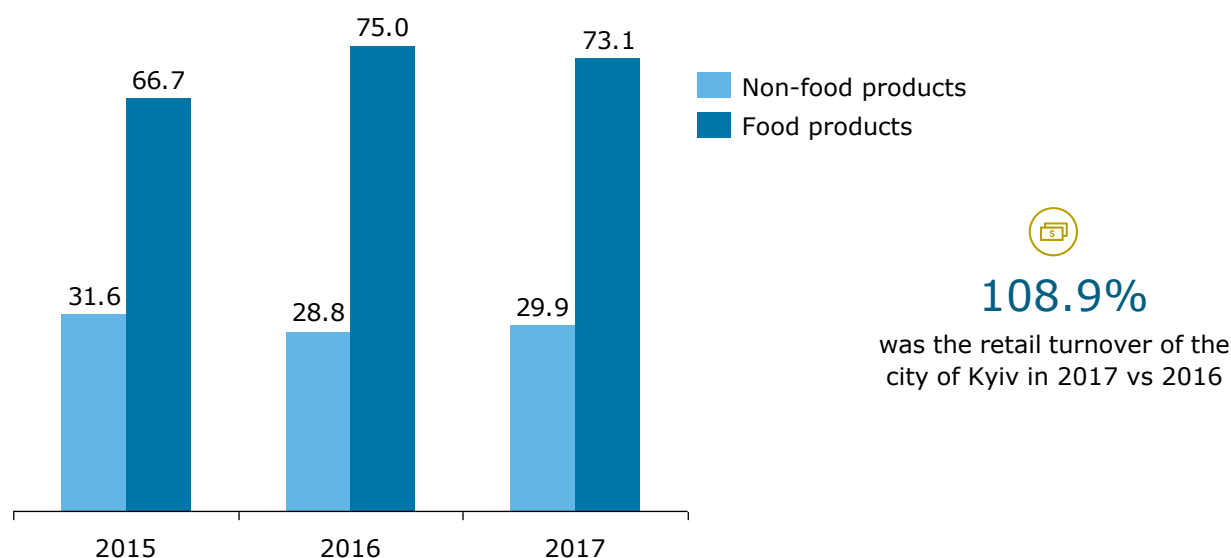
Retail trade turnover¹ [UAH billion]



Volumes of retail trade turnover by districts of Kyiv [UAH billion]



The share of sales of goods produced in Ukraine, in the total turnover of enterprises in the city of Kyiv [%]



Inventories at wholesale trade enterprises as of 1 January 2017 amounted to UAH 104.3 billion against UAH 74.8 billion as of 1 January 2016. In the total volume of inventories, non-food products made up 83.5%, with the rest being food products.

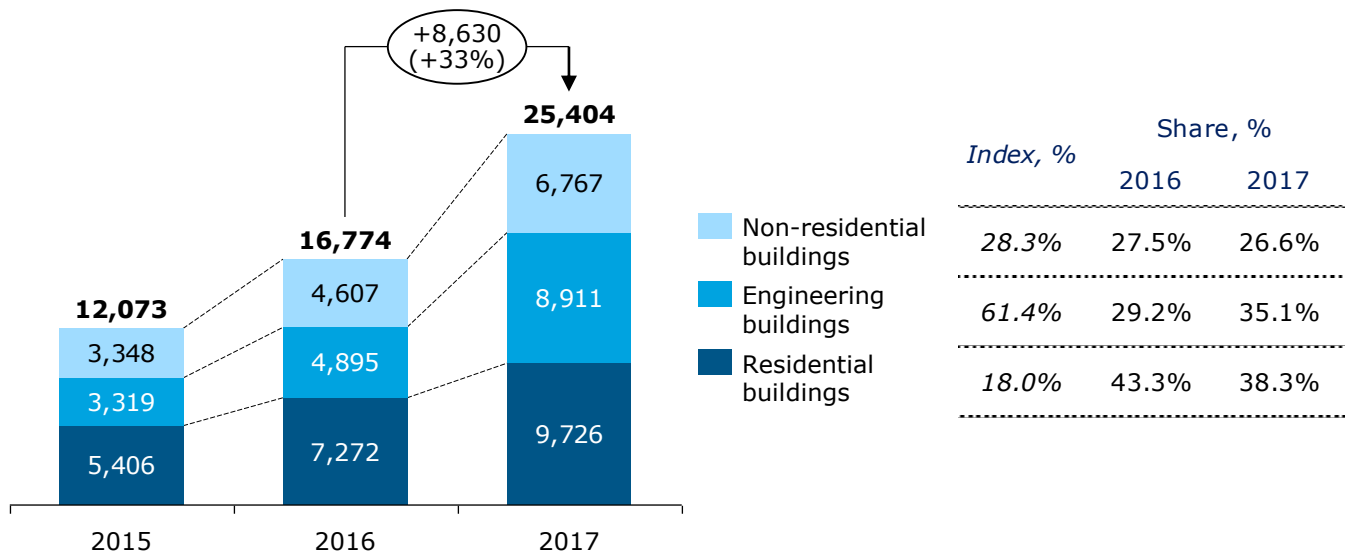
¹ Comparing data with the respective data of prior period is incorrect due to changes in the calculation methodology in 2017. In 2017, consideration referred only to retail turnovers of the entities whose primary economic activities were retails.
Source: Main Office of Statistics in the city of Kyiv



Construction

In 2017, Kyiv-based companies performed construction works totaling to UAH 25.4 billion, which was by 33% more than in 2016.

Volume of executed construction works by types of construction products [UAH million]



24%

of all construction works in Ukraine were performed in Kyiv in 2017 against 22.8% in 2016

In 2017, volumes of construction works grew by UAH 8.6 billion to UAH 25.4 billion, largely due to the increase in capital expenses spent by the Kyiv's City budget.

In accordance with the volumes of construction works performed in 2017, the project structure was as follows: the largest share referred to construction of residential buildings – 38%, engineering constructions – 35%, and non-residential buildings – 27%. In 2017, in comparison with 2016, the shares of engineering constructions grew by 6%, residential buildings decreased by 5%, and non-residential building remained unchanged.

Volumes of social infrastructure facilities put into operation:

Objects	Units of measurement	2015	2016	2017
Residential buildings	mln. m ²	1.366	1.334	1.734
Schools	Places	304	400	1,740
Pre-school education institutions	Places	530	1,270	452
Hospitals	Beds	71	24	-
Outpatient clinics	visits per shift	-	86	399

Calculated and actual values may differ due to rounding.

Source: <http://www.kiev.ukrstat.gov.ua>



Industrial Production

In 2017, the volume of industrial products sold increased by 17% in comparison with the prior year.

In 2017, the volume of products sold amounted to UAH 172.8 billion, which is by UAH 24.5 billion more than in 2016. This indicator made up 8% of total industrial products sold in Ukraine (in 2016, the similar indicator was 8.4%).

Industrial Production Index for Kyiv-based entities amounted to 95.8% in relation to 2016, which is 4.6 percentage points below the average for Ukraine.

Volumes of industrial products sold by main types of activities [UAH billion]

	2016	Share, 2016	2017	Share, 2017
Processing industry, total	114.7	77.3%	134.4	77.8%
Food, beverages, and tobacco products	67.8	45.6%	80.6	46.6%
Textile, clothes, leather, leather products, and other materials	1.2	0.8%	1.7	1.0%
Wood-ware and paper manufacturing, printing activities	6.4	4.3%	6.8	3.9%
Chemical substances and products' manufacturing	1.3	0.8%	1.4	0.8%
Essential medicines and pharmaceuticals	12.7	8.5%	14.7	8.5%
Rubber and plastic; other non-metal mineral manufacturing	10.8	7.3%	13.2	7.6%
Metallurgy, ready-made metal product manufacturing, production of other types of equipment except machinery and equipment	4.4	3.0%	3.6	2.1%
Heavy engineering, other than repairs and assembling of machinery and equipment	7.1	4.8%	8.4	4.9%
Other types of processing industry	3.1	2.1%	4.0	2.4%
Energy, gas, vapor, and conditioned air supplies	30.9	20.8%	34.9	20.2%
Water supply; sewage, waste management	2.3	1.6%	2.9	1.7%
Mining and quarrying	0.5	0.3%	0.6	0.3%
Total	148.4	100.0%	172.8	100.0%

Industrial Production Index by main type of activity in the city of Kyiv¹ [% to previous year]

	2016	2017	Growth/ Decline
Industry	104.4%	95.8%	↓
Processing industry	104.0%	95.0%	↓
Food, beverages, and tobacco products	95.0%	97.5%	↓
Textile, clothes, leather, leather products, and other materials	89.6%	127.9%	↑
Wood-ware and paper manufacturing, printing activities	91.2%	68.6%	↓
Chemical substances and products' manufacturing	97.6%	115.9%	↑
Essential medicines and pharmaceuticals	102.2%	100.2%	↑
Rubber and plastic production; other non-metal minerals	105.8%	108.0%	↑
Metallurgy, ready-made metal product manufacturing, production of other types of equipment except machinery and equipment	108.2%	95.8%	↓
Heavy engineering, other than repairs and assembling of machinery and equipment	101.6%	81.4%	↓
Energy, gas, vapor, and conditioned air supplies	107.3%	100.5%	↑

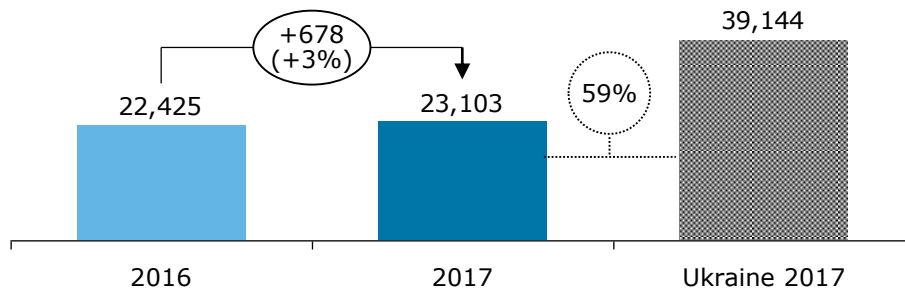
¹ The indicator has been estimated using permanent prices of the prior year. Calculated (estimated) and actual values may differ due to rounding.
Source: <http://www.kiev.ukrstat.gov.ua>



Foreign Direct Investment

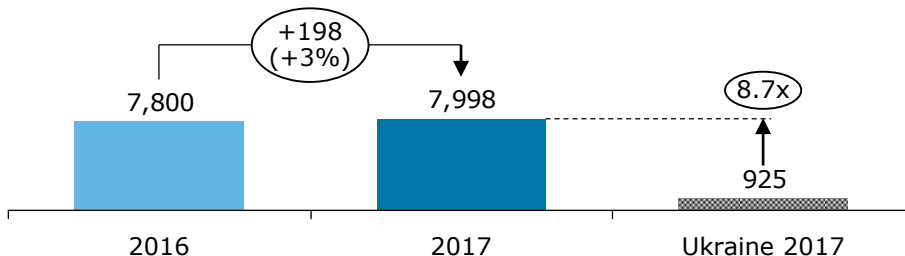
By the end of 2017, the volume of cumulative foreign direct investments in the city of Kyiv reached USD 23.1 billion.

Cumulative foreign direct investments (into share capital) to the economy of Kyiv [USD million]



59% of direct foreign investments into the Ukrainian economy were contributed to Kyiv

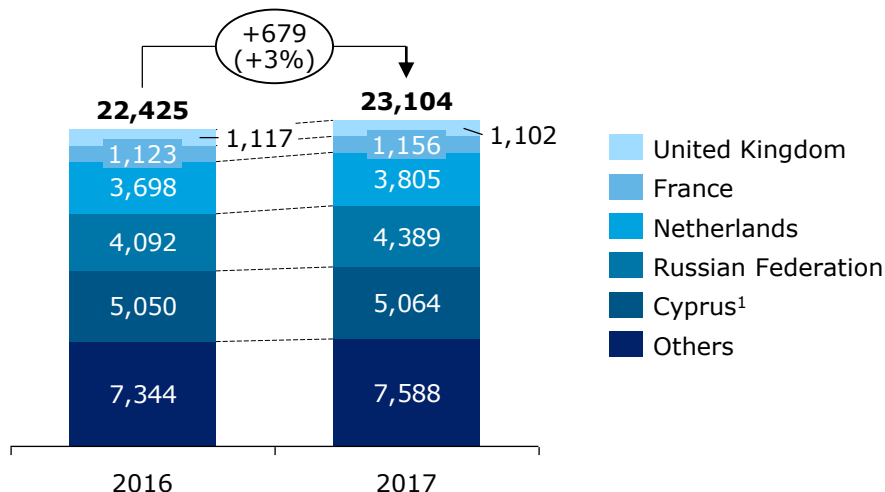
Cumulative foreign direct investments per capita [USD/1 person]



Volume of cumulative direct foreign investments per 1 resident in the city of Kyiv exceeded **8.7 times** the average indicator for Ukraine

In 2017, the volume of foreign direct investments from TOP-5 investor countries amounted to USD 15.5 billion, which is 67% of total foreign direct investments into the economy of Kyiv. One of the key reasons for the growth in foreign direct investments in 2017 (by 3%) was the conversion of interbank loans provided by foreign parent banks into the share capital of their Ukrainian subsidiaries and, also, ensuring the institutional instruments of attraction and support of foreign investments.

Share of TOP-5 investor countries into the economy of Kyiv [USD million]



Change, %	Share, %	
	2016	2017
-1%	5%	5%
3%	5%	5%
3%	16%	16%
7%	18%	19%
0%	23%	22%
3%	33%	33%

Comparing the figures as of 31 December 2017 and 1 January 2017, among other countries, the most significant growth of 3% (+USD 27 million) in investments was from Austria, and the decrease in FDI's volume by 2% (USD 18.5 million) was demonstrated by Luxembourg.

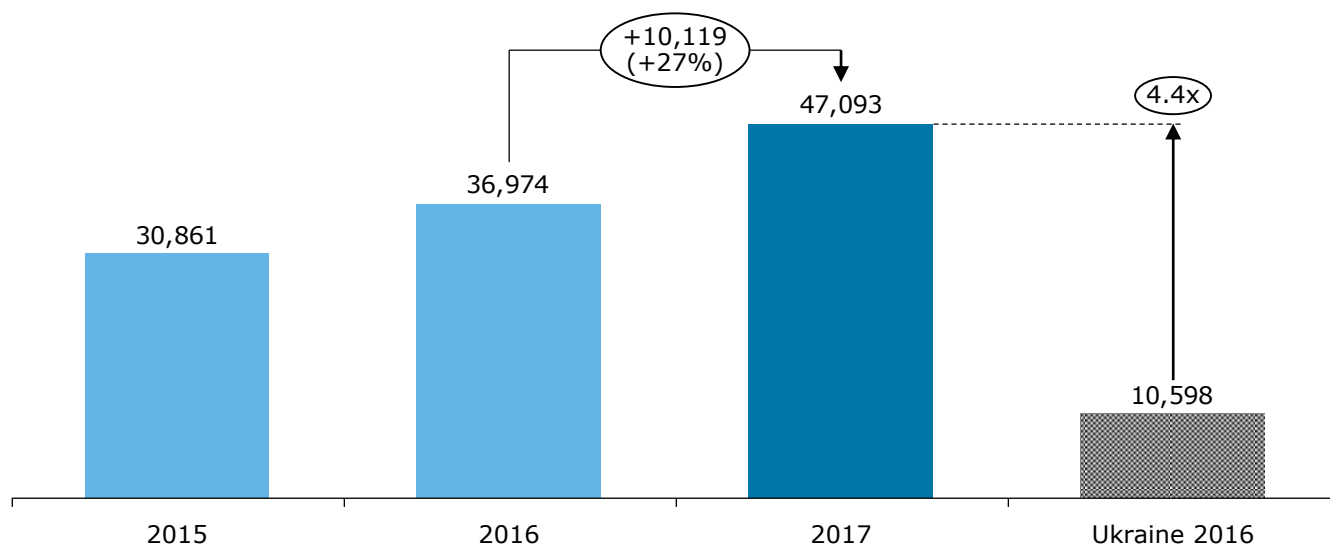
¹ Cyprus is considered to be an offshore jurisdiction, therefore, it is impossible to determine ultimate countries of investors. Calculated (estimated) and actual values may differ due to rounding.
Source: KCSA, <http://www.kiev.ukrstat.gov.ua>, <http://www.ukrstat.gov.ua>



Capital Investments

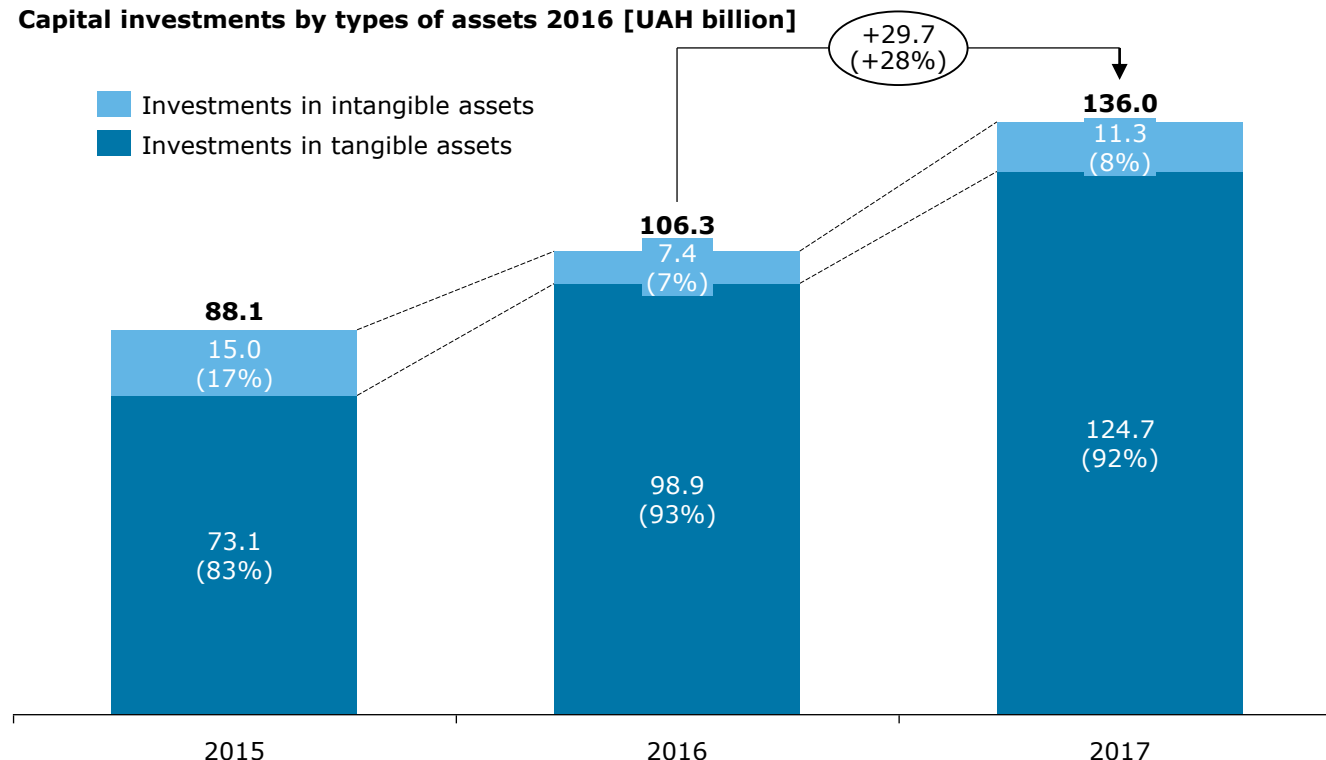
In 2017, volumes of capital investments into the city of Kyiv increased by UAH 29.7 billion and amounted to UAH 136 billion.

Capital investments per capita [UAH/person]



In 2017, relative to 2016, the capital investments increased in all types of tangible assets, except for land which demonstrated the decrease by 12%. Among intangible assets, investments in software and databases grew by 50%, investments in trademark rights grew by 55%, copyright and related rights, patents, licenses, concessions, etc.

Capital investments by types of assets 2016 [UAH billion]



Calculated (estimated) and actual values may differ due to rounding.
Source: <http://www.kiev.ukrstat.gov.ua>, <http://www.ukrstat.gov.ua>

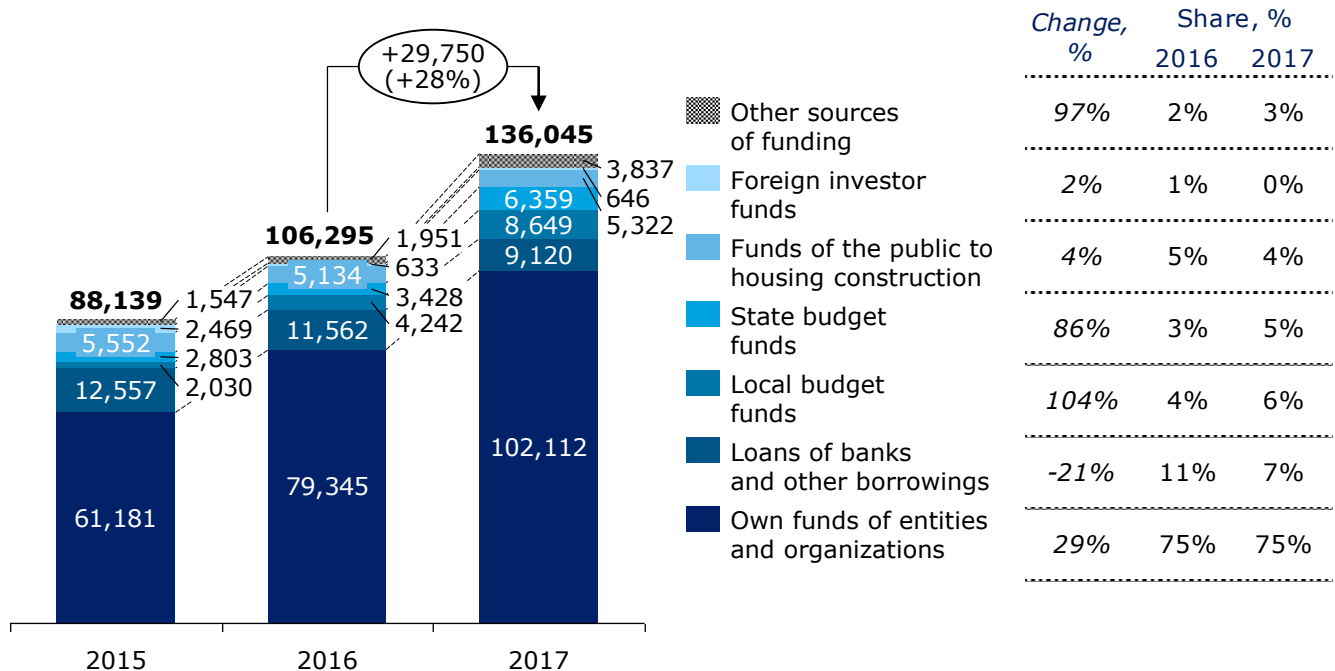


Capital Investments (continued)

In the period of 2015–2017, volumes of capital investments significantly increased.

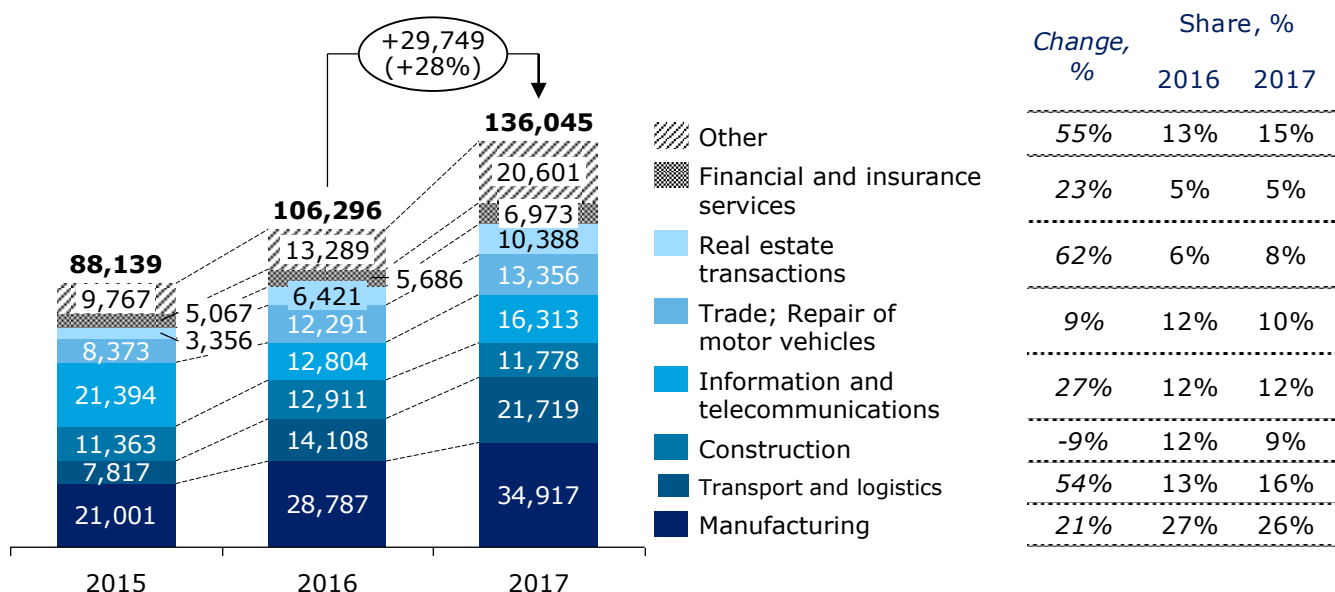
Insufficient lending of economy and low volumes of foreign direct investments encourage entities and organizations to make capital investments from their own funds, the share of which was 75%, during the years of 2016–2017. In 2017, this indicator demonstrated growth by 29%. Volume of bank loans and other borrowings demonstrated decrease by 21%. For the second year in a row, we observe the trend of growth in local budget funds, the increase in 2017 by 104%, with the share of 6%.

Capital investments by source of financing in 2016 [UAH million]



In 2017, capital investments decreased only in construction, by 9%. All other spheres of economic activities demonstrated growth in volumes of capital investments: in industrial production – growth by 21% (the share of 26%), in transport and logistics – by 54% (the share of 16%).

Capital investments by type of economic activities¹ [UAH million]



Calculated (estimated) and actual values may differ due to rounding.

¹ Due to rounding of components, the sum of components may be different from total amount.

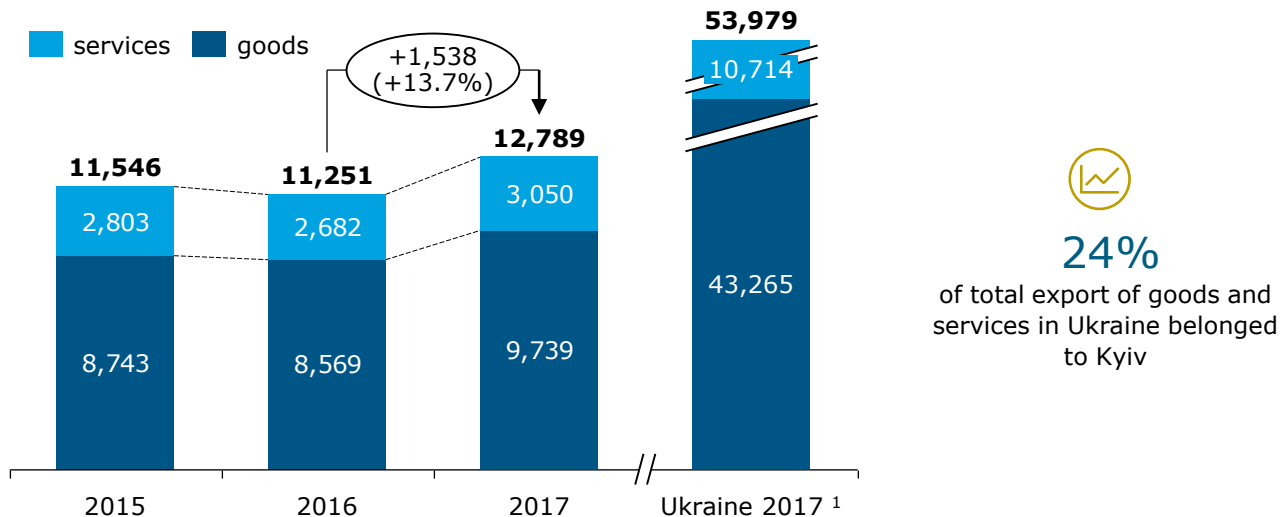
Source: KCSA, <http://www.kiev.ukrstat.gov.ua>



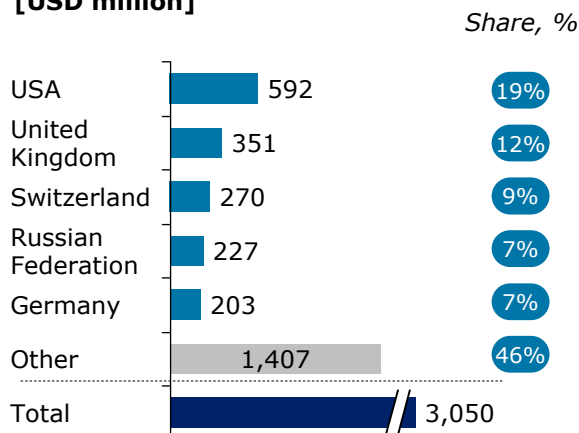
Foreign Trade

In 2017, exports of goods and services increased by 14% to USD 12.8 billion in comparison with 2016.

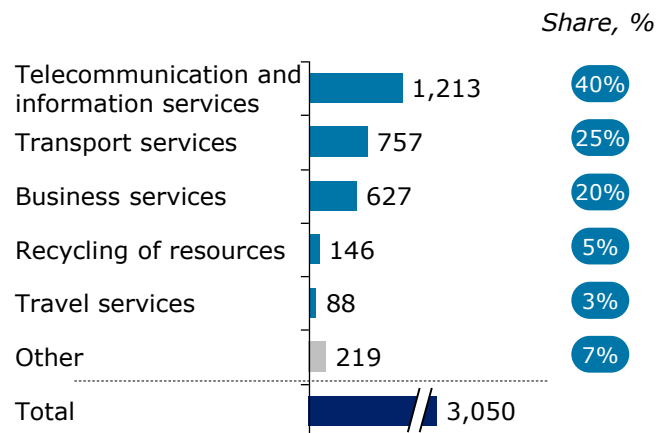
Export from Kyiv [USD million]



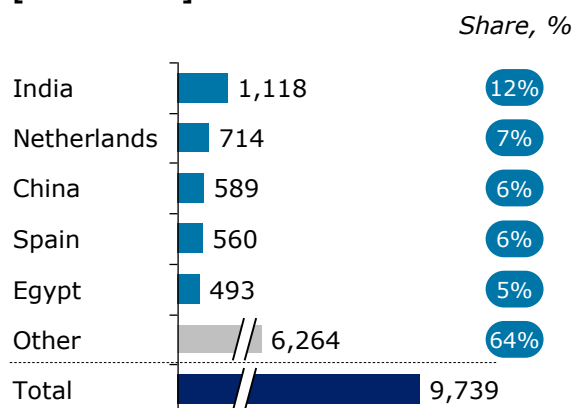
TOP-5 export destinations for services [USD million]



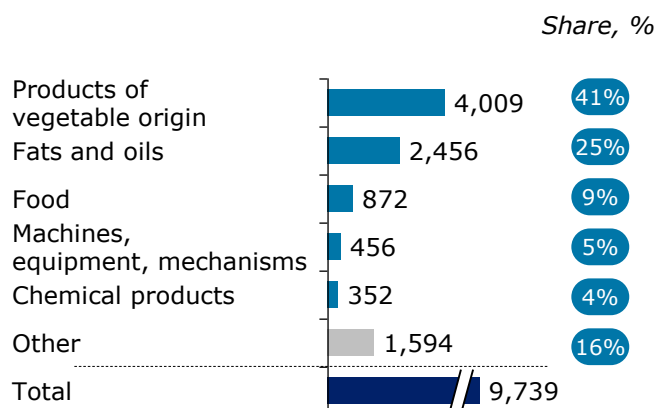
TOP-5 exported services [USD million]



TOP-5 export destinations for goods [USD million]



TOP-5 of exported goods [USD million]



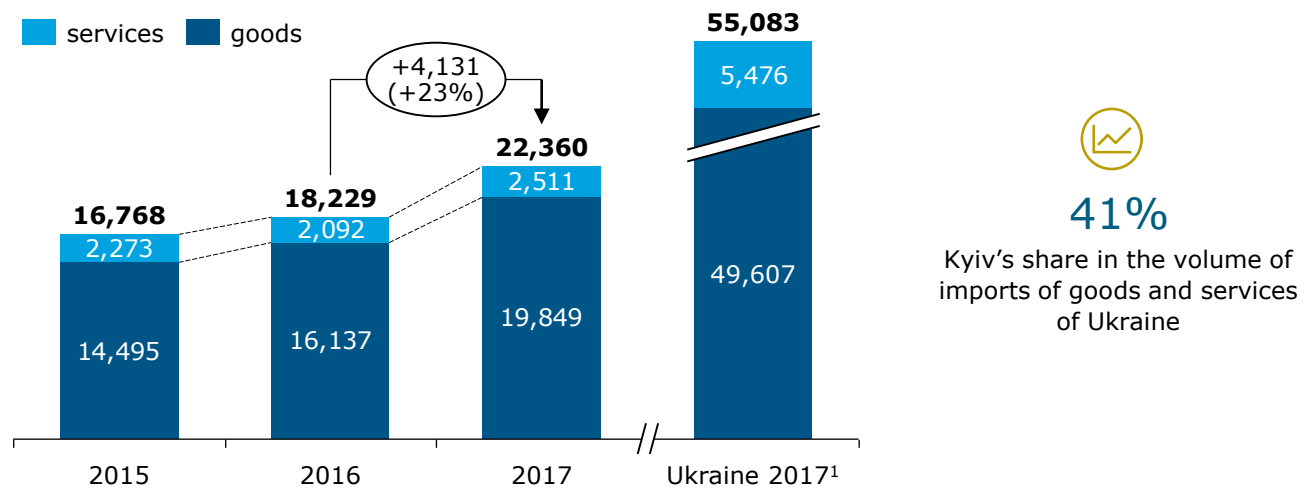
¹ Values of exports for Ukraine have been presented by origination countries. Calculated (estimated) and actual values may differ due to rounding.
Source: <http://www.kiev.ukrstat.gov.ua>, <http://www.ukrstat.gov.ua>



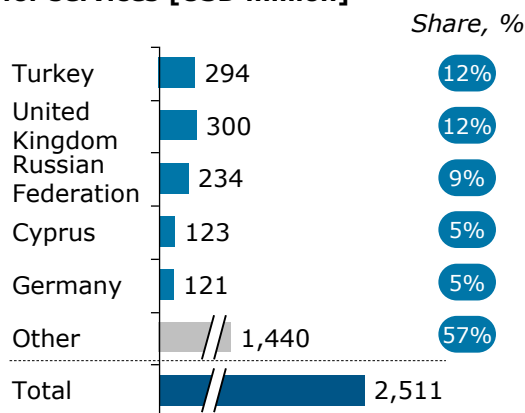
Foreign Trade (continued)

In 2017, imports of goods and services grew by 23% to USD 22.4 billion compared to 2016.

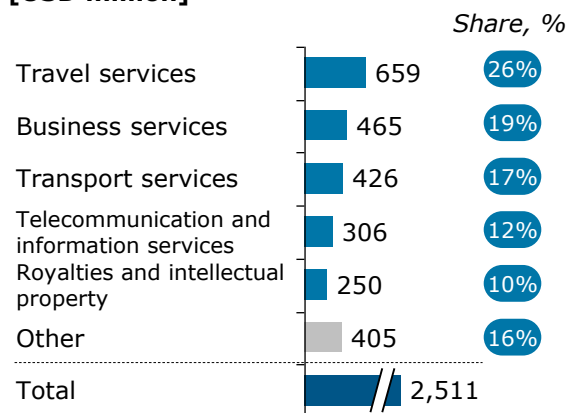
Imports of Kyiv [USD million USA]



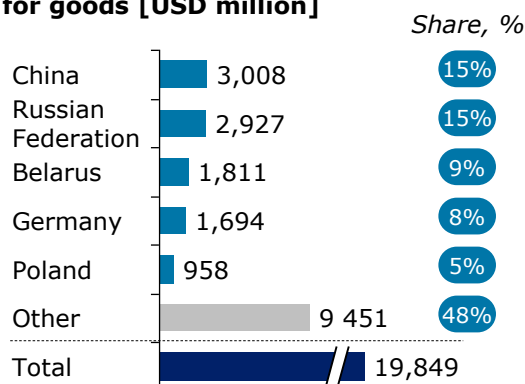
TOP-5 import origin countries for services [USD million]



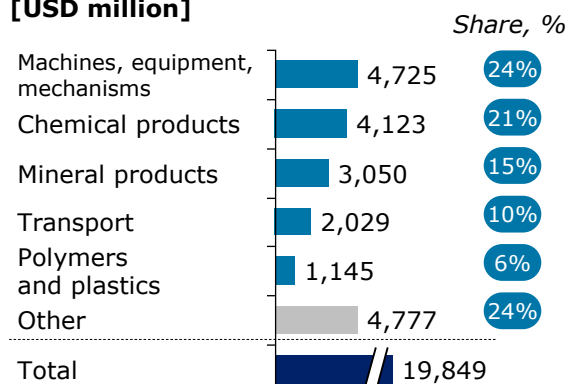
TOP-5 of imported services [USD million]



TOP-5 import origin countries for goods [USD million]



TOP-5 of imported goods [USD million]



¹ Values of imports of Ukraine have been presented using the data of origin countries.

Calculated (estimated) and actual values may differ due to rounding.

Source: <http://www.kiev.ukrstat.gov.ua>, <http://www.ukrstat.gov.ua>



List of Investment Contracts Entered into by the Economy and Investments Department of the Executive Body of the KCC (the KCSA) in 2017 Based on the Performance of ME "Kyiv Investment Agency"

In 2017, in accordance with the terms and conditions of investment agreements and auctions held, the proceeds of UAH 9.1 million were generated, which was in line with the planned figures.

#	Project's name	Period of the investment contract [years]	Total value of the project [UAH million]
1	On arrangement of the underground crossing between Kostiolna, Mykhailivska, Soffivska Streets and Maidan Nezalezhnosti in Shevchenkivskyi district	10 years, but, in any case, until complete fulfillment by the parties of their obligations	4.4
2	On construction of the residential building with social and cultural facilities and underground parking (with allocation of a part of apartments to those who had suffered from the activities of ICG "Elite-Center") in Honoré de Balzac Street (Poliova Street) in Desnianskyi district	Until complete fulfillment by the parties of their obligations	225.2
3	On construction of the sports complex in Henerala Vatutina Prospect in Desnianskyi district	10 years, until complete fulfillment by the parties of their obligations	273.0
4	On arrangement of the football pitch with artificial turf and related sports infrastructure on the basis of Lyceum "Holosiivskyi" # 241 in 12 Holosiivska Street in Holosiivskyi district	10 years	3.6

Implementation in 2017 of financial obligations under the concluded investment contracts

#	Investment contract's name	Proceeds to Kyiv's City budget on investment contracts [UAH million]	Outstanding amounts on investment contracts as at 31 December 2017
1	Arrangement of the rope courses in Regional Landscape Park "Partyzanska Slava"	0.2	-
2	Arrangement of the underground crossing between Kostiolna, Mykhailivska, Soffivska Streets and Maidan Nezalezhnosti in Shevchenkivskyi district	0.4	-
3	Construction of the residential building with social and cultural facilities and underground parking in Honoré de Balzac Street (Poliova Street) in Desnianskyi district	1.0	1.0
4	Construction of the sports complex in Henerala Vatutina Prospect in Desnianskyi district	5.7	5.7
5	Arrangement of the football pitch with artificial turf and related sports infrastructure on the basis of Lyceum "Holosiivskyi" # 241 in 12 Holosiivska Street in Holosiivskyi district	0.2	-



Summary of Special Purpose Municipal Program Execution Related to Real Sector of Economy in 2017

The execution of program activities promoted growth in economy in the city of Kyiv.

Comprehensive Special Purpose Municipal Program to Promote Entrepreneurship, Industry, and Consumer Market for 2015-2018

Responsible for execution: Industry and Entrepreneurship Development Department of the Executive Body of the Kyiv City Council (the Kyiv City State Administration)

Program goals:

- Shape favorable business environment, activate the entrepreneurial potential of the City's society, raise the level of competitiveness of small and medium-sized businesses, increase their contribution to the tasks of social and economic development;
- Create conditions for the restoration of sustainable development of the industrial and technological potential of the city of Kyiv on the basis of developing innovative products and increasing production of high-technology, energy-efficient, environmental, export-oriented, and import-substituting products;
- Satisfy consumers' needs in various goods and services at the European level, assist in ensuring food security, shape a modern infrastructure of the trade network, catering, and household services.

Key program activities and actions in 2017:

- Web-portal (<http://kievcity.gov.ua>) made public 45 draft regulations with the analyses of their regulatory impact;
- In cooperation with the German-Ukrainian Foundation, conducted the First Financial Fair within the framework of which the agreement was signed on cooperation between the executive body of the Kyiv City Council (the Kyiv City State Administration) and the German-Ukrainian Foundation;
- Approved the Regulation on Granting Financial and Lending Support to Entities of Small and Medium Business in the City of Kyiv;
- The Ministry of Justice of Ukraine entered Municipal Entity "Kyiv City Business Center" to the State Register of Legal Entities and Individual Entrepreneurs in full.

Conducted:

- Contests "Best Exporter of the Year" (16 winners) and "Quality Standard of the Capital City" (10 winners);
- Exhibition "Made in Ukraine" (214 exhibit displays);
- Round table on the topic: "International Experience of Public and Regional Support to Industrial Production: Recommendations for Kyiv", with participation of experts from Ukraine and abroad regarding promotion to the European market of Kyiv-based entities' products;
- 13 thematic fairs, exhibitions, festivals, retail servicing in the course of national and general city events;
- 3,971 fairs, with involvement of 215,219 business entities;
- Operations of 164 outlets for selling bread to socially unprotected people, with 96 working places additionally created in 2017;
- Dismantled (replaced) 1,108 illegally installed mobile retail stands.

Volumes of funding for program activities in 2017 (UAH thousand):	Plan:	Actual:	% of execution:
	4,148,491	15,461,557	372.7%

by source:

from the Kyiv's City budget :	15,595.0	2,039.5
from the state budget:	-	4,823.9
from other sources:	4,132,896.0	15,454,693.6



5.3. Infrastructure



Power Supply



2 CHPPs of
PJSC "KYIVENERGO"



13.3 thousand km of
electrical
grid network

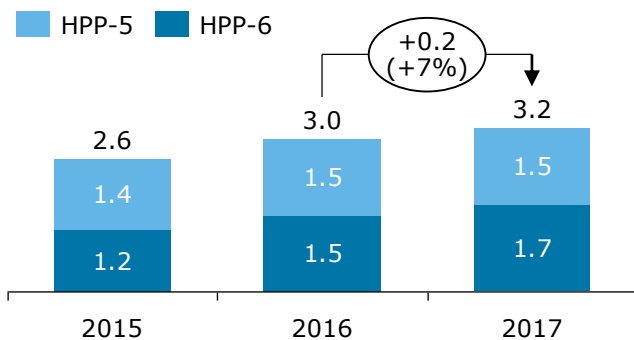


Darnytska CHPP of
LLC "Yevrorekonstruktsiia"

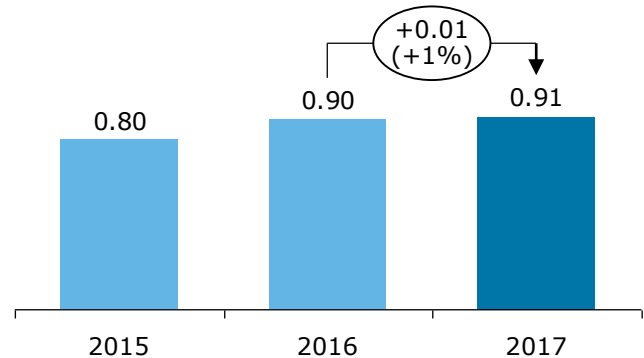
To improve the reliability of power supply to consumers in the city of Kyiv and proper operation of energy and heat supply facilities owned by the territorial community of Kyiv, ME "Kyivteploenergo" was established. Effective from 1 June 2017, the entity is engaged in the transfer of heat energy via main line networks that had been owned and used by PJSC "KYIVENERGO" from LLC "YEVROREKOSTRUKTSIIA" to residential buildings in Darnytskyi and Dniprovskyi districts of Kyiv.

Volumes of energy generation [kW*h billion]

PJSC "KYIVENERGO"

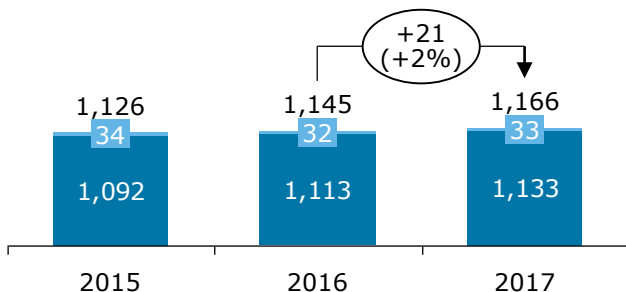


LLC "Yevrorekonstruktsiia" (CHPP-4)



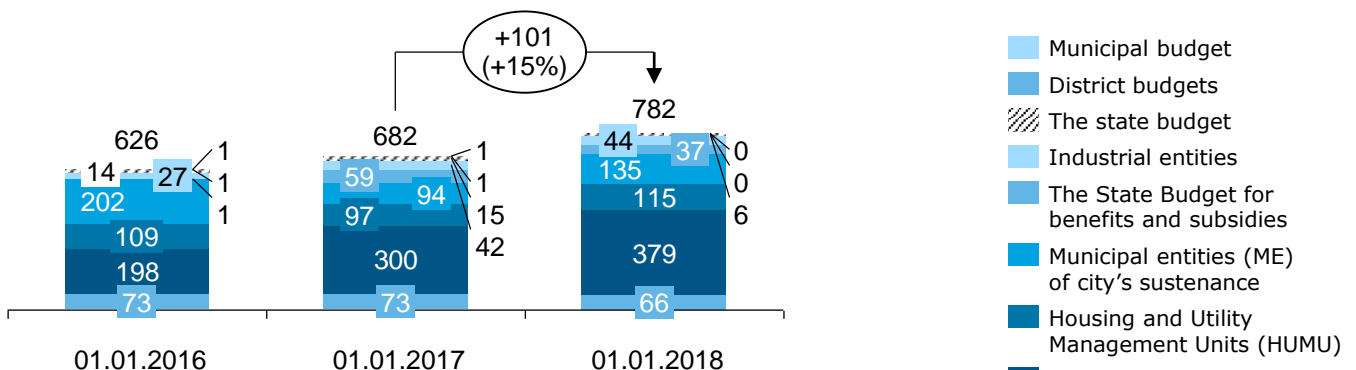
Number of energy consumers of PJSC "KYIVENERGO" [thousand units]

Businesses Households



The number of household consumers increased due to population growth and new houses put into operation. The outstanding amounts of energy consumption increased mostly at the cost of household consumers.

Outstanding amounts for energy due to PJSC "KYIVENERGO" [UAH million]

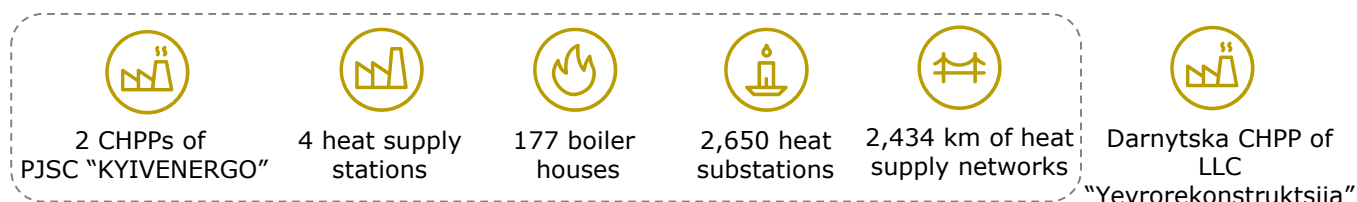


Source: Department of Housing and Utility Infrastructure of KCSA, <http://kyivenergo.com>
Calculated (estimated) and actual values may differ due to rounding.

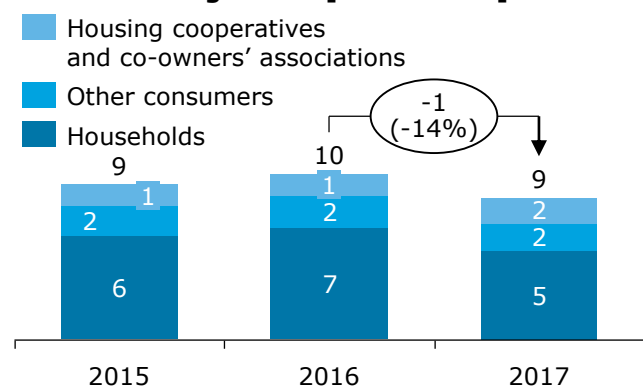


Heat Supply

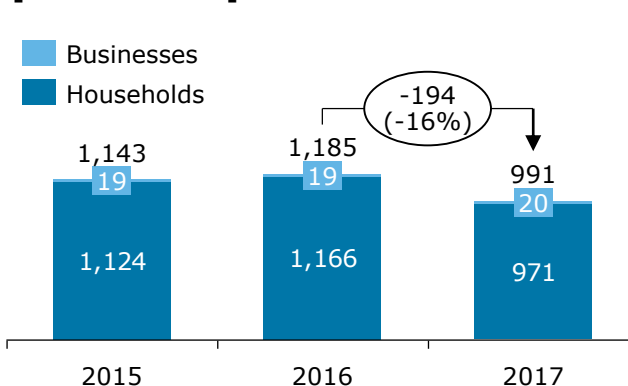
In 2017, ME "Kyivteploenergo" was established for the purpose of proper operation of energy and heat supply facilities owned by the territorial community of Kyiv.



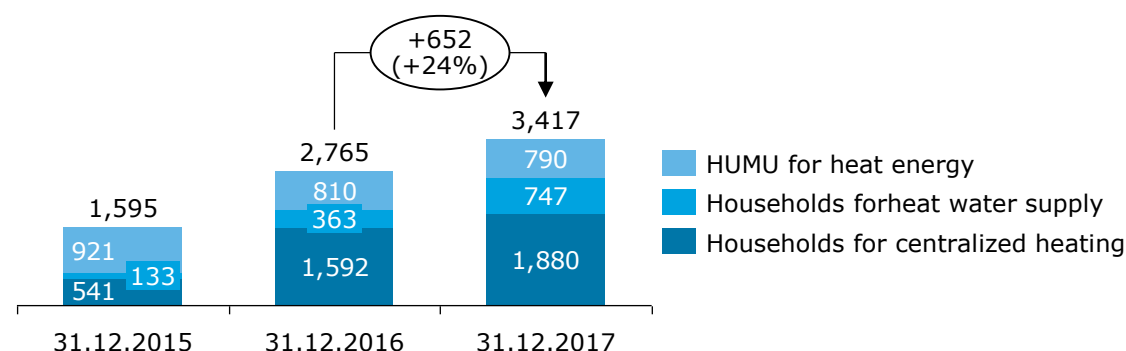
Volume of heat energy consumption by customer categories¹ [million Gcal]



Number of heat energy consumers [thousand units]



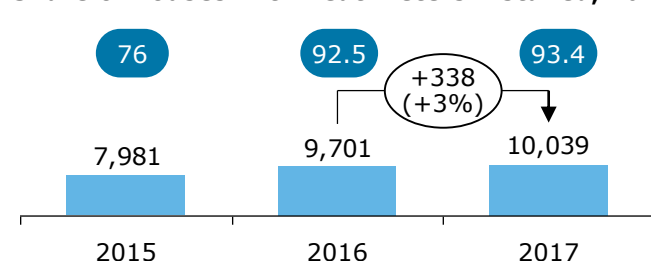
Amounts due for the heat energy consumed [UAH million]



In 2017, Kyiv had the highest indicator in the equipment of buildings with heat energy meters that reached 93.4%, which is the highest indicator in Ukraine. Upon fulfillment of the program on installing heat energy meters, it is planned to transfer to the program of equipping buildings with heat energy regulating systems.

Number of houses with heat energy meters [units]

Share of houses with heat meters installed, %



The number of buildings in the city of Kyiv that have central heating amounted to 10,751 units (net of hostels). The number of buildings awaiting for the possibility of installing heat energy meters – 10,461 units. Considering the buildings that had no possibility of installing heat energy meters, level of the equipment was 95.97%.

¹ Includes PJSC "KYIVENERGO" and LLC "Yevrorekonstruktsiia"

Source: Department of Housing and Utility Infrastructure of KCSA, <http://www.kiev.ukrstat.gov.ua>, <http://kyivenergo.com>
Calculated (estimated) and actual values may differ due to rounding.



Water Supply and Sewage Facilities

PrJSC "JSC "Kyivvodokanal" provides the services of collecting, purifying, and discharging water and sewage intake in Kyiv.



Water extraction facilities of PrJSC "JSC "Kyivvodokanal"

The Dnipro water pump station

Installed capacity
[million cubic
meters/day]
600

The Desna water pump station

1,080

Artesian wells

420



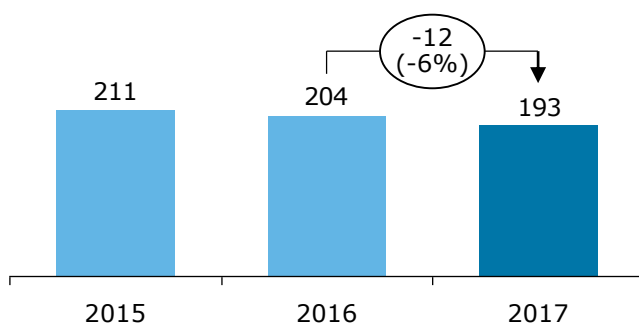
Water intake facilities of PrJSC "JSC "Kyivvodokanal"

34
sewage pump
stations

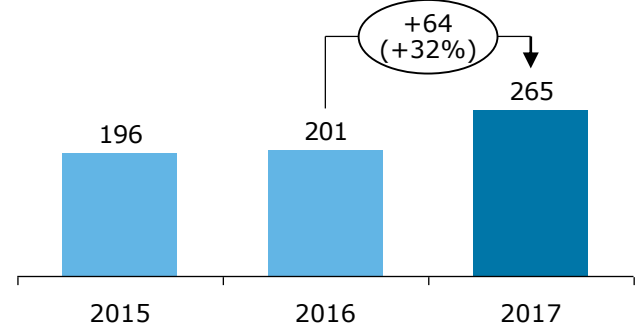
2,687.8 km
of sewer networks

1.8
million cubic meters/day
installed capacity of
Bortnytska aeration station

Volume of water discharging by PrJSC "JSC "Kyivvodokanal" [million cubic meters]

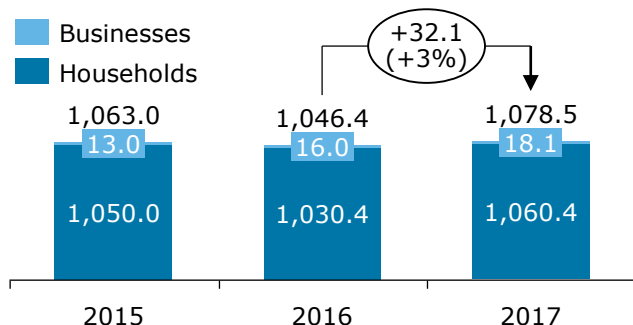


Volume of sewage intake by PrJSC "JSC "Kyivvodokanal" [million cubic meters]

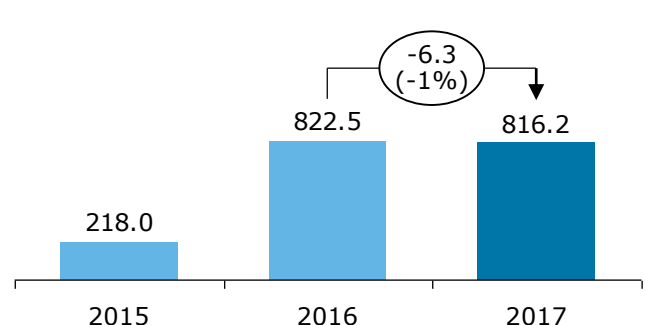


In 2017, PrJSC "JSC "Kyivvodokanal" replaced 7.1 km of water supply networks, repaired or replaced 935 manholes, and also replaced 395 sewer hatches.

Number of consumers of water supply and discharge services [thousand units]



Amounts due for water supply and water discharge services [UAH million]



Due to the growth in tariffs for utility services, amounts due for water supply and discharge increased in 2017 by 38%.



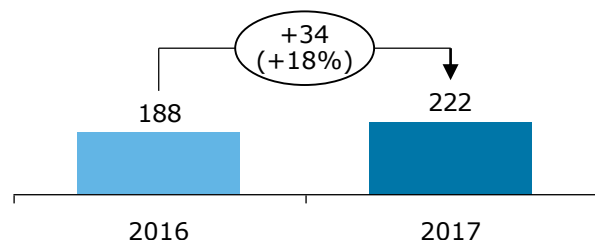
Gas Supply and Housing and Public Utility Services

The amounts due for gas supply services decreased by 46% in comparison with the previous year.

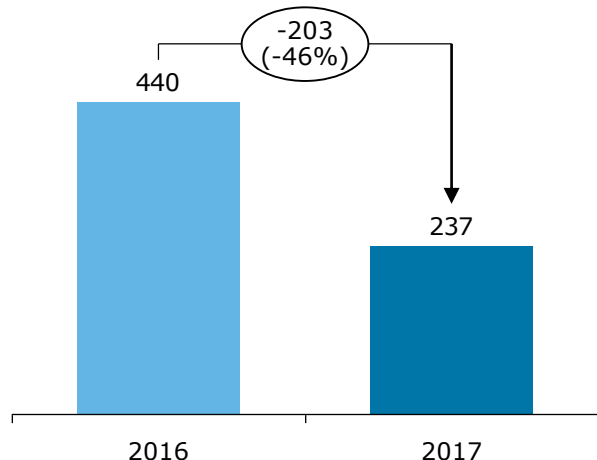
4,895 km

of gas grid networks

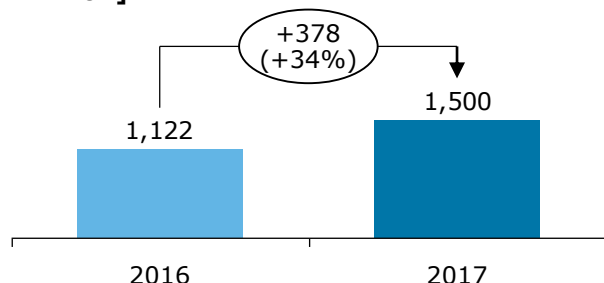
Volumes of gas consumption
[million cubic meters]



Amounts due for gas supply services
[UAH million]

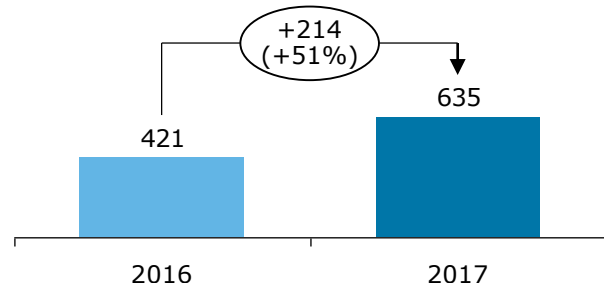


Revenue proceeds from services on maintenance of houses and outdoor areas [UAH million]



Amounts due by consumers municipal house maintenance management companies [UAH million]

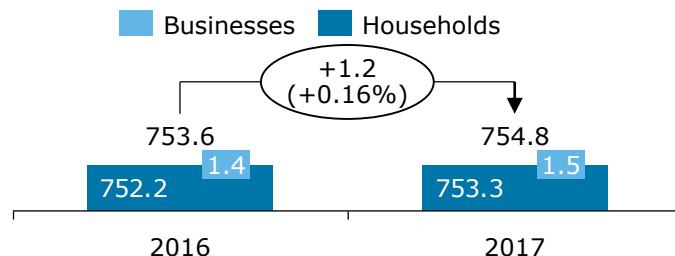
for maintenance of houses and outdoor areas



251

gas pipeline stations

Number of gas supply service consumers
[thousand units]



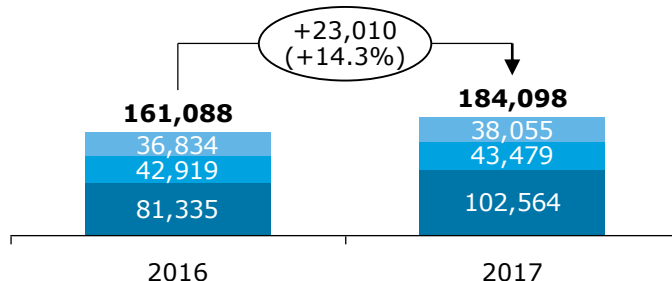
Number of apartments equipped by gas meters
[units]

Level of the equipment with meters, %

21.41

24.43

Heating boiler (furnace) and other gas appliances
Gas stove and a direct-flow water heater
Gas stove



8,384

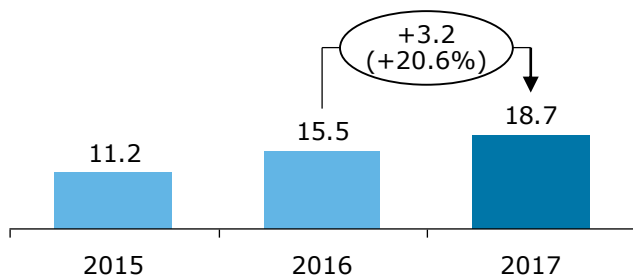
buildings of total Kyiv's 11,511
buildings were maintained in
2017 by municipal house
maintenance management
companies



Transportation

The volume of road freight transportation in Kyiv increased by 25% in 2017.

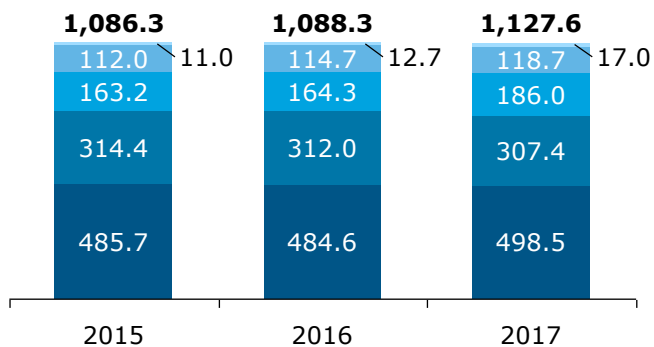
Freight transportation [million tons]



89.4%

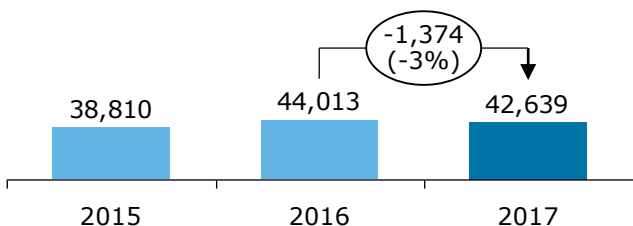
of total freight transportations
in 2017 were by road motor
transport

Passenger transportation by types of transport [million passengers]

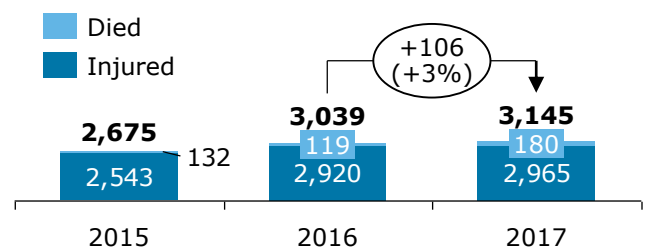


- By water and air
- By tram
- By trolley bus
- By vehicles
- By metro

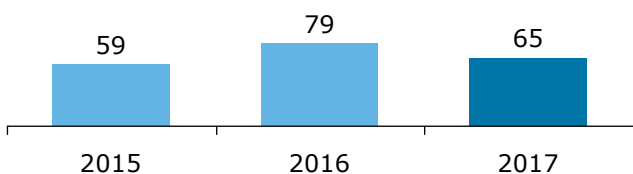
Number of traffic accidents in the city of Kyiv



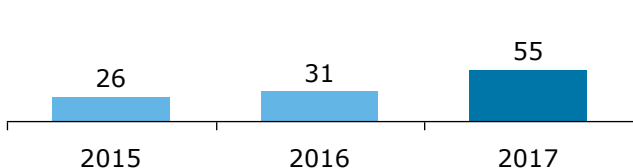
Number of victims in traffic accidents [persons]



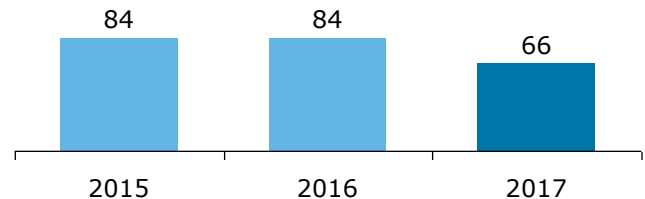
Deterioration rates by types of transport [%]
Road motor transport



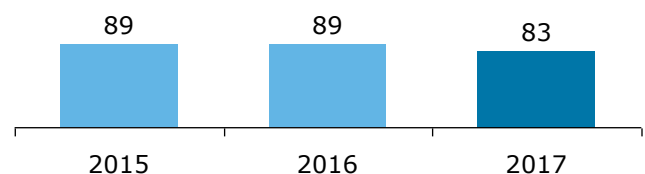
Trolleybus



Metro



Tram



In 2017, a draft comprehensive municipal program for transportation infrastructure development was developed.

¹ According to the Ministry of Internal Affairs of Ukraine
Source: <http://www.kiev.ukrstat.gov.ua>, <http://www.ukrstat.gov.ua>
Calculated (estimated) and actual values may differ due to rounding.



Summary of Special Purpose Municipal Programs Execution Related to Housing and Utilities in 2017

Comprehensive Special Purpose Municipal Program Aimed at Increasing Energy Efficiency and Developing Housing and Utility Infrastructure in the City of Kyiv for the Years 2016-2020

Responsible for execution: Department of Housing and Utility Infrastructure

Program goals:

- Ensure sustainable functioning of the housing and utility facilities in Kyiv on the basis of energy saving.
- Satisfy the needs of consumers in housing and utility services, prevent emergencies related to the functioning of the City's sustenance systems

Key program activities and actions in 2017:

- As of 1 January 2018, 1,191 associations of co-owners of apartment buildings were created, which was 10.4% of the total number of residential buildings or 15.3% of the total space of housing stock:
 - 15 energy service contracts in the budget sphere were concluded;
 - 135 projects on the implementation of energy-efficient measures in multi-apartment buildings were implemented by housing cooperatives and co-owners' associations;
 - 25 "warm loans" of housing cooperatives and co-owners' associations were reimbursed by authorized banks within the implementation of energy-efficient measures in multi-apartment buildings.
- Installed security systems to protect equipment of heat energy meters and elevator engine rooms in 56 residential buildings;
- Completed the construction of Line Two of Main Public Sewer of total length of 9,770 m;
- PJSC "JSC "Kyivvodokanal" replaced 7.1 km of water supply networks, repaired or replaced 935 manholes, replaced 395 sewer hatches;
- Installed 79 individual heating units in 61 residential buildings;
- Performed modernization of the heat mainline # 1 of CHPP-5 in Sobornosti (Voziednannia) Prospect 1,118.0 m long (200 residential building);
- ME "Kyiv's City Residential Property Management Company" performed repair and arrangement and installment works at 10 heating units of total area of 262.72 m².

Volumes of funding for program activities in 2017, UAH thousand:	Plan:	Actual:	% of execution:
	10,451,899.3	2,419,777.0	23.2%

by sources:

from the Kyiv's City budget	2,161,673.3	1,652,243.5
from the state budget:	792,219.6	111,001.7
from other sources:	7,498,006.4	656,531.8



Summary of Special Purpose Municipal Programs Execution Related to Housing and Utilities in 2017

Special Purpose Program "Drinking Water in the City of Kyiv for 2011-2020"

Responsible for execution: Department of Housing and Utility Infrastructure

Program goals:

- Satisfy needs of consumers in drinking water of the guaranteed quality in accordance with current regulations at an affordable, economically justified price;
- Ensure sustainable and balanced development of centralized and decentralized drinking water supply systems in the city of Kyiv;
- Raise the safety level of water supply facilities, promote rational use, conservation, and protection of the natural environment.

Key program activities and actions in 2017:

- Built 4 artesian wells and 1 new pump-room site;
- Performed capital repairs of 21 pump-room sites and 2 artesian wells;
- Renewed the debit of artesian wells in 14 pump-room sites;
- Installed the systems of GSM controllers on 67 pump-room sites;
- Created an electronic dispatcher's unit servicing 127 pump-room site and systems of final water purification in 10 pump-room sites;
- Replaced pumping units in 40 pump-room sites;
- Provided servicing to final purification of drinkable water in 93 pump-room sites.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 69,192.0	Actual: 65,452.0	% of execution: 94.6%
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by sources:

from the Kyiv's City budget	68,503.0	65,340.0
from other sources:	662.0	112.0



5.4. Health Care and Healthy Lifestyle

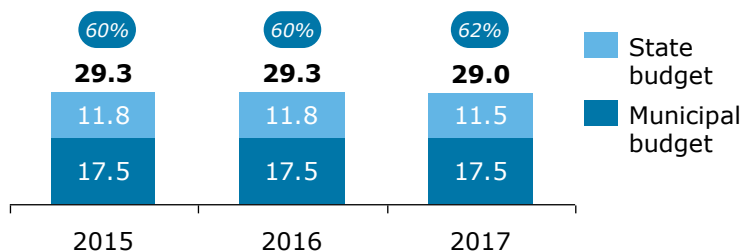


Health Care and Healthy Lifestyle

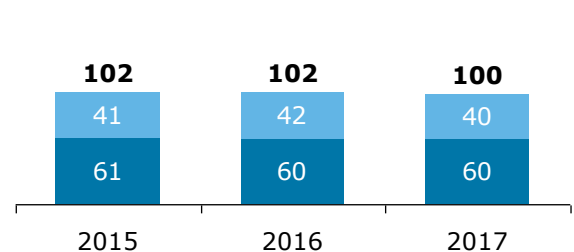
Availability of health care services remained practically at the level of the previous year.



The quantity of hospital beds in Kyiv¹ [thousand]
Share of beds financed by the municipal budget

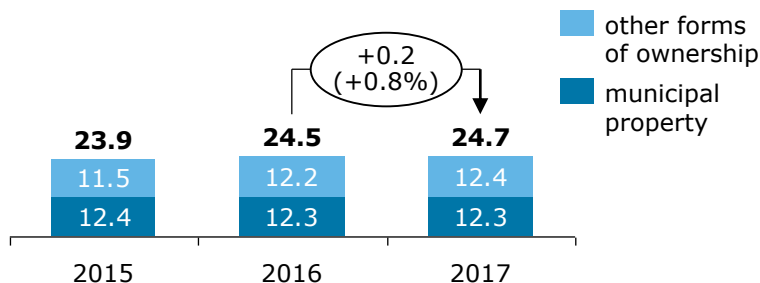


The quantity of hospital beds per 10,000 people [number]

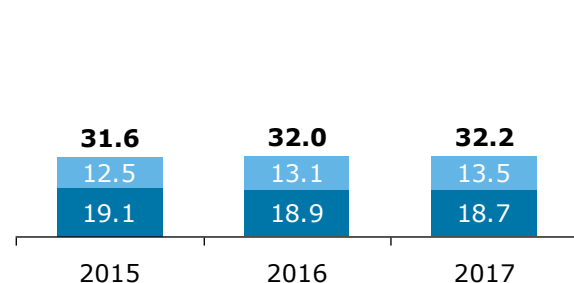


Effective from March 2016, the Order of the Ministry of Health of Ukraine regarding the number of hospital beds (not more than 60 per 10,000 people) in municipal hospitals came into force, which caused a decrease in the total number of hospital beds, including those in the city of Kyiv.

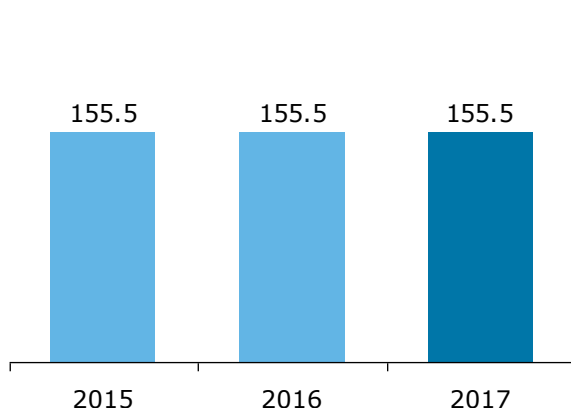
The quantity of doctors (excluding dentists) [thousand]



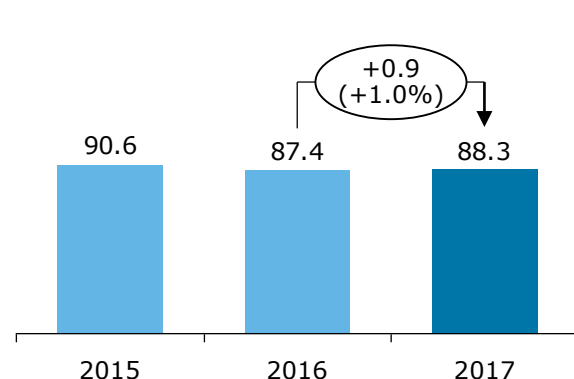
The quantity of nursing staff [thousand persons]



Number of emergency teams [units]



Share of arrival on emergencies within 10 minutes from a call [%]



¹ Without taking into account day hospital beds

Source: KSCA, <http://www.kiev.ukrstat.gov.ua>, <http://www.ukrstat.gov.ua>
Calculated (estimated) and actual values may differ due to rounding.



Summary of Special Purpose Municipal Programs Execution Relating to Health Care in 2017

Special Purpose Municipal Program "Health of Kyiv's Residents" for 2017–2019

Responsible for execution: Health Care Department

Program goals: Ensure effective and rational use of budget funds, optimize the system of medical services in the city of Kyiv, ensure timely and full provisions to health care facilities established on the basis of municipal ownership of the territorial community of the city of Kyiv with equipment, medicines, and medical products, etc.

Key program activities and actions in 2017:

Provided with:

- Medical products:
 - 53 children suffering from juvenile rheumatoid arthritis;
 - 2 children – from Gaucher disease, 45 children – from mucoviscidosis;
 - 4,147 patients with oncohematological pathology;
 - 3,913 patients received chemotherapy courses;
 - 673 children suffering from epilepsy.
- Medicines of replacement therapy:
 - 247 adult patients suffering from coagulopathy.
- Dietetic therapy products:
 - 125 patients (93 children and 32 adults) suffering from phenylketonuria;
 - 15 children from mucoviscidosis.
- Immunosuppressive therapy:
 - 138 patients who underwent organ transplantation.
- Insulin and testing strips for individual glucose meters of 866 children;
- Patients of palliative departments in the city of Kyiv with care means for seriously ill patients.



Summary of Special Purpose Municipal Programs Execution Relating to Health Care in 2017 (continued)

Special Purpose Municipal Program "Health of Kyiv's Residents" for 2017–2019

Key program activities and actions in 2017:

- Conducted:
 - Screening of newly born for phenylketonuria and hypothyroid infantilism;
 - Continuous treatments with replacement therapy means of 648 patients with kidney failure;
 - Operations with implantation of artificial joints – to 232 patients;
 - Operations on cataract with implantation of intraocular lens – to 2,603 patients;
 - Surgeries on installing cochlear implants to 8 disabled children of young age and 1 adult with disability of severe loss of hearing;
 - Replaced the external part of the implanted hearing aid (speech processor) and restored its full operation to 8 persons with deafness (including to 4 children aged up to 18 years old).
- Satisfied the first priority need in hearing aids of Kyiv's residents of privileged categories with severe loss of hearing (disabled children, disabled persons from childhood who study, disabled persons of Great Patriotic War, and other privileged categories);
- Provided treatment to:
 - 3 patients (2 children and 1 adult) suffering from Gaucher disease;
 - 59 patients (45 children and 14 adults) suffering from mucoviscidosis;
 - 62 children suffering from coagulopathy;
 - 65 patients (53 children and 12 adults) suffering from juvenile rheumatoid arthritis;
 - 27 children with severe forms of hemophilia;
 - 62 children suffering from cerebral paralysis;
 - 140 patients suffering from viral hepatitis B and C;
 - 5 adult patients suffering from primary immune deficiency disease provided with medicines of intravenous immunoglobulins;
 - Preventive treatment to three children with Willebrand disease;
 - Oleksandrivska Clinic Hospital of Kyiv opened a department of roentgen-endovascular surgery that operates all day long 7 days a week.
- Conducted 37,163 examinations of donor blood and its components for markers of hemotransmissible infections (HIV, hepatitis B and C, syphilis) with highly sensitive testing systems;
- Prepared 70.7 liters blood plasma using the method of device plasma exchange, 1,400 doses of thrombocyte concentrate using the apheresis method.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 645,333	Actual: 594,451	% of execution: 92.1%
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by sources:

from Kyiv's City budget:	645,333	564,874
from the state budget:	-	29,577



Summary of Special Purpose Municipal Programs Execution Relating to Health Care in 2017 (continued)

Special Purpose Municipal Program for Kyiv's Children's Health Promotion and Recreation for the Period until 2018

Responsible for execution: Department of Education and Science, Youth and Sports of the Executive Body of the Kyiv City Council (the Kyiv City State Administration)

Program goals: Realize one of the most important tasks in the social sphere of children's protection – right to health promotion and recreation, create conditions for shaping the integral system of children's health promotion and recreation, enhance the quality and affordability of health improvement and recreation services for children of Kyiv.

Key program activities and actions in 2017:

- Promoted health and sent for recreation 14,799 children, including 6,020 children – in daytime attendance camps on the bases of schools;
- Promoted health and sent for recreation 9,291 children who required special social attention and support, which was by 829 children more than in 2016.

In particular:

- Improved health – 5,401 children;
- Sent for recreation – 3,890 children.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 57,304.2	Actual: 56,683.5	% of execution: 98.9%
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by sources:

from Kyiv's City budget:	57,304.2	56,683.5
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Summary of Special Purpose Municipal Programs Execution Relating to Health Care in 2017 (continued)

Special Purpose Municipal Doctor Training Program for Kyiv's Health Care Facilities for 2017-2018

Responsible for execution: Health Care Department

Program goals: Create conditions for ensuring the adequate staffing of municipal health care institutions, especially primary health care institutions, with appropriately trained medical workers

Key program activities and actions in 2017:

- Ensured training of doctors for Kyiv's health care facilities for the period of 2011–2017 on the premises of the National Medical University named after O. O. Bohomolets at the cost of Kyiv's City budget;
- In particular, in 2017, 19 intern doctors continued studies at the full-time internship at Department of Pediatrics and Department of General Medicine (Family Medicine specialty);
- 27 students completed studies;
- 15 intern doctors who graduated from the internship started working.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 527.5	Actual: 333.1	% of execution: 63.1%
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by sources:

from Kyiv's City budget:	527.5	333.1
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Summary of Special Purpose Municipal Programs Execution Relating to Health Care in 2017 (continued)

Special Purpose Municipal Program "Youth and Sports of the Capital City" for 2016–2018

Responsible for execution: Department of Education and Science, Youth and Sports of the Executive Body of the Kyiv City Council (the Kyiv City State Administration)

Program goals:

- Shape and support the realization of potential of the youth for their self-realization and success aiming at the sustainable development and competitiveness of Kyiv;
- Support favorable infrastructure, organization, information, and financing conditions for the development of physical culture and sports in the city of Kyiv as the essential factors for ensuring the competitive ability, social cohesion, and healthy lifestyle of Kyivans.

Key program activities and actions in 2017:

- Implemented 24 projects within the framework of the Municipal Contest of Projects Developed by Youth and Children's Public Organizations.

Appointed awards:

- Award of the Mayor of Kyiv – to 100 persons;
- Award of the Kyiv City Council – to 10 persons and 3 public organizations;
- Held 38 sports and massive participation events, in which 51,395 persons participated.

Representative teams of the City took part in:

- 298 competitions of Olympic and non-Olympic sports (7,584 sportsmen of Kyiv residents);
- 41 competitions of all-Ukrainian level for disabled persons of varied disease areas;
- 11 international competitions;
- 55 sportsmen took part in the XXIII Deaflympic Games in Samsun (Turkey). Kyivans won 6 gold medals, 39 silver medals, and 17 bronze medals.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 566,237.2	Actual: 532,549.4	% of execution: 94.1%
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by sources:

from Kyiv's City budget:	566,237.2	532,549.4
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Summary of Special Purpose Municipal Programs Execution Relating to Health Care in 2017 (continued)

Special Purpose Municipal Program on Preventing Tuberculosis for the Period of 2017-2021

Responsible for execution: Health Care Department

Program goals:

- Improve the epidemic situation in respect of spread of TB;
- Increase the efficiency of patients' treatment of susceptible tuberculosis, chemoresistant tuberculosis, TB/AIDS co-infection through implementation of government policies that are based on multidisciplinary patient oriented, economically effective principles for ensuring general and equal access of people to qualitative services on prevention, diagnostics, and treatment of tuberculosis.

Key program activities and actions in 2017:

- Acquired a mobile digital fluorographic unit able to examine people with special needs;
- Ensured technical maintenance of the laboratory equipment on microbiological diagnostics of tuberculosis;
- Ensured for performing laboratory and X-ray diagnosis and monitoring TB-patients' treatment – 100% of the need, technical maintenance of the laboratory equipment on microbiological diagnostics of tuberculosis;
- Implemented state-of-the-art controls over TB disease, including – in respect of strengthening the infrastructure of relevant facilities;
- Examined 6,039 persons with the help of the mobile digital fluorographic unit;
- Ensured social support to 1,179 TB outpatients who received food gift baskets;
- Purchased means of individual protection for medical workers of health care institutions in the city of Kyiv to prevent TB disease: 122,890 respirators and masks for patients;
- Purchased 10,000 booklets for conducting preventive measures and raising awareness of people in respect of tuberculosis.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 11,500.1	Actual: 10,722.7	% of execution: 93.2%
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by sources:

from Kyiv's City budget:	11,500.1	10,722.7
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Summary of Special Purpose Municipal Programs Execution Relating to Health Care in 2017 (continued)

Special Purpose Municipal Program on Preventing Epidemics of HIV Infection for the Period of 2017–2021

Responsible for execution: Health Care Department

Program goals: Implement measures on spreading possibilities of timely identification and prevention of HIV infection and ensuring qualitative and affordable medicine

Key program activities and actions in 2017:

- Considering the assumed liabilities and goals within the implemented strategies of Fast Track, the activities were aimed at ensuring the maximum coverage of key groups of people by HIV tests and involving HIV infected persons to the system of medical supervision. The prevention programs covered over 60% of target groups of people;
- Examined for HIV over 257 thousand persons;
- Health care institutions of all levels introduced screening for HIV;
- Introduced a service of diagnosing and treating AIDS/HIV on the basis of infectious diseases rooms in each district of the city of Kyiv (share of people who know their HIV status amounted to 13,282 persons of the estimated number of 23,100 persons);
- Within the program, acquired goods at the cost of the state budget of Ukraine, municipal budget of Kyiv, the Global Fund to Fight AIDS, Tuberculosis, and Malaria, PEPFAR, and other sources;
- Implemented measures on improving the staffing potential of medical industry: 953 medical workers were trained on the issues of testing people for HIV with the use of rapid tests;
- To implement the program's activities, public and international organization took part which operate under grant agreements at the cost of donors. Projects of international technical assistance (USAID) are realized which implement the best techniques and practices in providing medical assistance to people living with HIV/AIDS in the conditions of reforms that are underway in the health care system.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 225,844.87	Actual: 186,827.72	% of execution: 82.7%
<i>by sources:</i>			
from Kyiv's City budget:	19,181.50	16,226.77	
from the state budget:	73,091.67	52,382.40	
from other sources:	133,571.70	118,218.55	



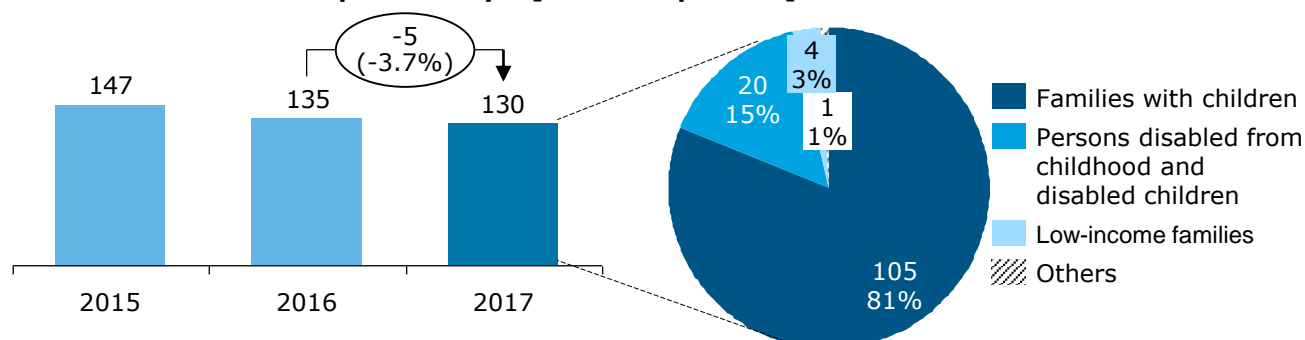
5.5. Social Security and Care



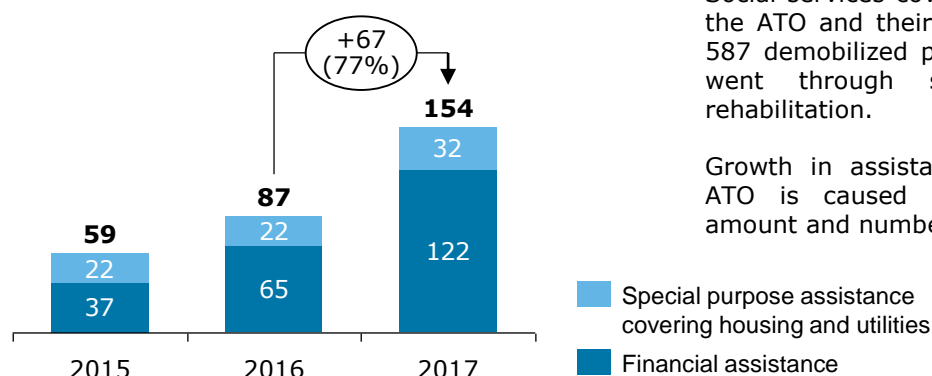
Social Security and Care

In 2017, the assistance amount to the ATO participants and their families almost doubled against the reduced number of receivers of other social benefits.

Government benefit recipients in Kyiv [thousand persons]



Financial aid to participants of the ATO and their families [UAH million]

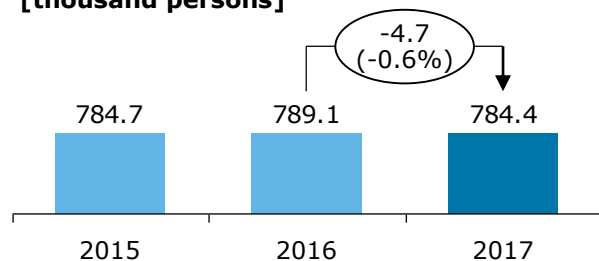


Social services covered 21,037 participants of the ATO and their family members, including 587 demobilized participants of the ATO who went through social and psychological rehabilitation.

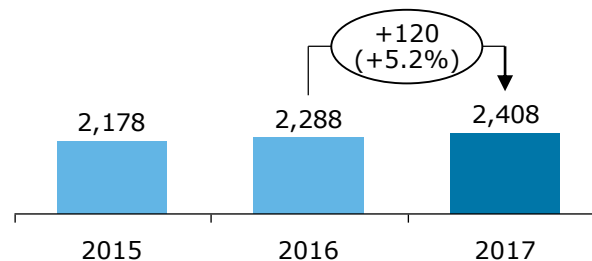
Growth in assistance to participants of the ATO is caused by the increased benefit amount and number of the ATO participants.

The average pension amount in Kyiv was by 32% higher than the average nationwide pension.

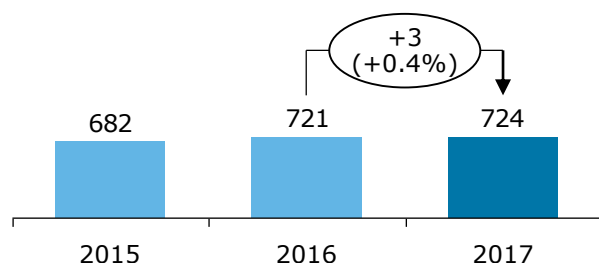
Number of pensioners in the city of Kyiv [thousand persons]



Average monthly pension assigned [UAH]



Number of the Kyiv Resident Card holders [thousand persons]



The Kyiv Resident Card is a personalized electronic plastic card that supports applications related to providing and recording social support actions (providing special purpose financial aid at the cost of Kyiv's City budget to socially vulnerable persons), information services, and other services.

Calculated (estimated) and actual values may differ due to rounding.

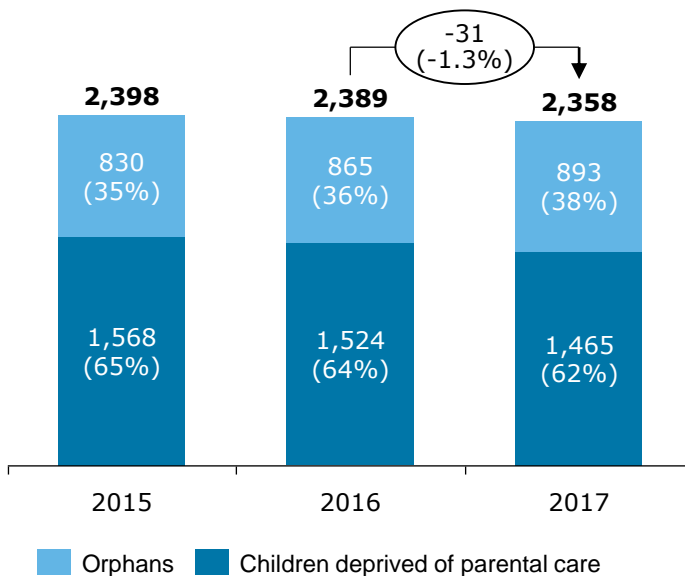
Source: Department of Social Policies of the KCSA, <http://www.kiev.ukrstat.gov.ua>, <http://www.ukrstat.gov.ua/>



Social Security and Care (continued)

At the end of 2017, 2,358 orphans and children deprived of parental care were registered at district offices for children's affairs, including 893 orphans (38%) and 1,465 children deprived of parental care. The number of children deprived of parental care decreased by 3.9% compared to the prior year.

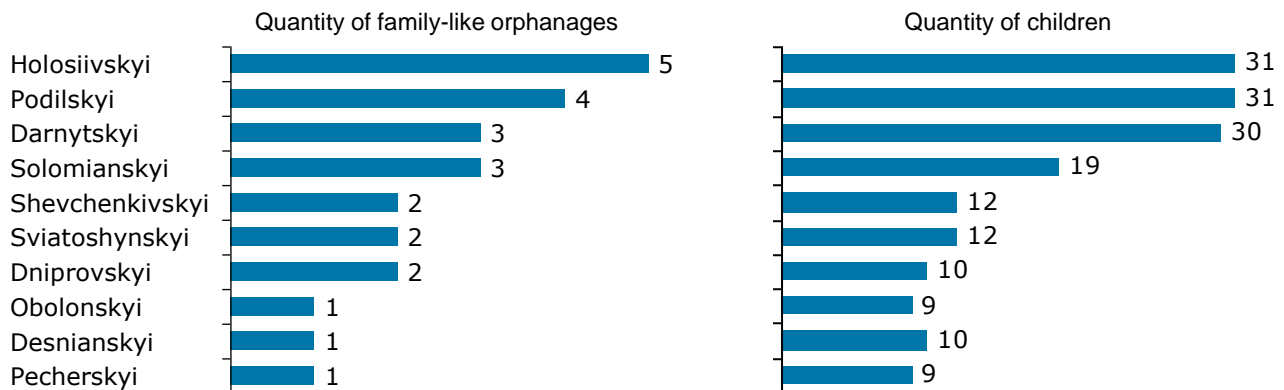
Number of orphans and children deprived of parental care [persons]



Key assistance activities undertaken in 2017:

- Established 5 new foster families and 3 new family-like orphanages (total at the end of the year – 40 foster families and 24 family-like orphanages);
- At the cost of the municipal budget, acquired 4 new motor vehicles transferred for the use by family-like orphanages;
- At the cost of the government subvention to local budgets, acquired 2 service apartments for establishing new family-like orphanages.

Number of family-like orphanages and children residing in them



In 2017, there were 6 state orphanages in Kyiv where cost of living of orphans and children deprived of parental care were fully covered by the state budget:

- 2 health care facilities: the Kyiv Children's Home "Berizka" and the Kyiv M. M. Horodetskyi City Orphanage for infants and children up to 4 years old;
- 2 educational facilities for children from 3 to 18 years old: Children's Home "Maliatko" and sanatorium boarding school # 21);
- 2 social security facilities: (Sviatoshynskyi boarding school for boys and Darnytskyi boarding school for girls) for disabled children from 4 to 18 years old.

At the end of 2017, 2,182 orphans and children deprived of parental care were covered by family-like forms of education, which is less than 2,199 children in 2016. It represented 92.5% of the total number of the children registered at district offices for children's affairs in the city of Kyiv. In comparison with 2016, the indicator increased by 0.5%.

In 2017, of all the children registered at district offices for children's affairs, 82 orphans and children deprived of parental care were adopted (2016: 105 children).



Summary of Special Purpose Municipal Programs Execution Relating to Social Policies in 2017

The program activities held promoted the employment rate in the city of Kyiv.

Employment program for Kyiv's residents for the period to 2017

Responsible for execution:	Social Policies Department		
Program goals:	Implement regional policies in extending possibilities of citizens in realizing their right to decent work through: <ul style="list-style-type: none"> • Creating conditions for increase in the employment rate of people, engage unemployed citizens of working age to economically active operations; • Stimulating the interest of employers in creating new working places; • Retaining and developing working potential; • Increasing the role of stakeholders interested in labor market transformations (unions of employers' organizations and trade unions) to participation in the social dialogue. 		
Key program activities and actions in 2017:	<ul style="list-style-type: none"> • Employed in the new working positions created 73.0 thousand persons; • Granted one-time unemployment aid aimed at starting business activities to 136 persons; • Provided jobs to 172 unemployed at newly created working positions, with compensation of the single tax to employers; • Engaged 4 thousand unemployed to participation in public and other temporary works; • The Kyiv City Employment Center and entities, organizations, and institutions entered into 23 agreements on the arrangement of public works and relevant funding for the total amount of UAH 665.7 thousand; • With the assistance of the City Employment Service, 3 thousand persons were trained, in particular, 179 former servicemen from the ATO zone. 		
Volumes of funding for program activities in 2017, UAH thousand:	Plan: 21,359.7	Actual: 19,548.5	% of execution: 91.5%

by sources:

from other sources:	21,359.7	19,548.5
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Summary of Special Purpose Municipal Programs Execution Relating to Social Policies in 2017 (continued)

Special Purpose Municipal Program "Social Partnership for 2016-2018"

Responsible for execution: Social Policies Department

Program goals:

- Provide successful interaction between the Executive Body of the Kyiv City Council (the Kyiv City State Administration), district state administrations and public institutions focused on social issues, city development, promotion of civil initiatives, improving social protection, promotion of civil development; implement actions aimed at providing rights and achieving the equality of women and men;
- Facilitate participation of the communities in preparation and delivery of social activities dedicated to national holidays or notable dates and social activities covered by the City's budget.

Key program activities and actions in 2017:

- Provided, on a selective basis, financial aid to 142 public organizations focused on implementation of activities of social support to veterans, disabled persons, and persons requiring social protection;
- Rendered social services to 48.2 thousand persons and conducted activities by public organizations focused on social activities;
- Conducted 15 city-wide events of social activities to celebrate national holidays and commemorative dates.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 20,162.8	Actual: 19,415.5	% of execution: 96.3%
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by sources:

from Kyiv's City budget:	20,162.8	19,415.5
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Summary of Special Purpose Municipal Programs Execution Relating to Social Policies in 2017 (continued)

Municipal Special Purpose Program "Children. Family. Capital City" for the Period from 2016 to 2018

Responsible for execution: Child and Family Service

Program goals:

- Ensure efficient operations of the integrated system for protection of the rights of children who happened to be in difficult life circumstances, children without parental care, orphans, and children deprived of parental care;
- Implement a new effective family-oriented approach to prevent social orphanhood and to the care over orphans and children deprived of parental care;
- Ensure the implementation of new approaches in institutions for orphans that are individually based with reference to the best interests of a child.

Key program activities and actions in 2017:

- Provided social and psychological assistance to 1,616 families that took care of orphans and children deprived of parental care;
- Ensured medical and social rehabilitation of 162 persons who suffered from family violence;
- Rendered social services to 549 persons and 48 families that are registered in the Kyiv Municipal Center for Social and Psychological Support (7 persons and 40 families left the institution);
- Conducted 11 trainings for 275 persons to master new approaches in the work with children (applying innovation methodologies) for workers of district child and family services and specialists of institutions of children's social protection;
- Developed and printed 1,000 copies of manuals on the prevention of law offences in the children's environment;
- Acquired 4 motor vehicles for family-like children's homes.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 77,504.2	Actual: 74,166.5	% of execution: 95.7%
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by sources:

from Kyiv's City budget:	76,447.9	73,110.2
from other sources:	1,056.3	1,056.3



Summary of Special Purpose Municipal Programs Execution Relating to Social Policies in 2017 (continued)

Municipal Special Purpose Program "Care. Towards Kyivans" for the Period from 2016 to 2018

Responsible for execution: Social Policies Department

Program goals:

- Ensure a significant improvement of effectiveness of the system of social support by including new social support services and more accurate identification of those in need to ensure they achieve sufficient level of living;
- Resolve material, technical, social, and cultural problems, undertake specific measures aimed at individual support to low-income residents;
- Provide social and legal, labor and medical rehabilitation to persons with disabilities;
- Enhance living conditions of residents with disabilities.

Key program activities and actions in 2017:

- Provided one-time individual social financial assistance to:
 - On commemorative dates and holidays, 443.7 thousand persons from vulnerable groups of people and war veterans from Kyiv for the amount of UAH 174,789.7 thousand;
 - Family members of the perished (deceased) Kyivans who participated in the ATO, family members of the perished (deceased) volunteer participants in the ATO for partial compensation on making and installing brasses and burying Kyivans who participated in the ATO and volunteer participants in the ATO in the city of Kyiv in the amount of UAH 5,996.5 thousand;
 - 23.9 thousand persons from low-income residents of Kyiv who found themselves in difficult life circumstances in the amount of UAH 34,558.8 thousand.
- Provided:
 - Health improvement in sanatoria and resort institutions to 3.6 thousand from privileged categories (war and labor veterans, persons with disabilities, children of war, and citizens who suffered from the Chernobyl disaster) in the amount of UAH 28,647.0 thousand;
 - Health improvement to 1,281 children of Kyivans who participated in the ATO and children of servicemen in military units aged up to 7 years old;
 - Compensation for municipal public travel privileges to 875.7 thousand persons in the amount of UAH 858,150.6 thousand.
- Purchased:
 - Social services for the total amount of UAH 676.2 thousand (palliative assistance to HIV-infected persons; social adaptation of young people with disabilities of intellectual disorders);
 - 200 elevating platforms in the amount of UAH 24,925.2 thousand.

Volumes of funding for program activities in 2017, UAH thousand:	Plan:	Actual:	% of execution:
	1,533,683.2	1,484,175.3	96.8%

by sources:

from Kyiv's City budget:	1,533,311.9	1,483,902.3
from other sources:	371.3	273.0



Summary of Special Purpose Municipal Programs Execution Relating to Social Policies in 2017 (continued)

Affordable Housing Construction (Purchase) Program of Kyiv for 2010-2017

Responsible for execution: Construction and Housing Department

Program goals: Accelerate the provision of housing for citizens in need of better housing conditions in accordance with the law by improving the existing and introduce a new effective financial and investment mechanism of the state support for the construction (acquisition) of affordable housing with the involvement of the population.

Key program activities and actions in 2017: Due to the absence of funding, no activities under the program were held.

Volumes of funding for program activities in 2017, UAH thousand:	Plan:	Actual:	% of execution:
	2,297,100.0	0.0	0%

by sources:

from Kyiv's City budget:	200,000.0	-
from the state budget:	489,200.0	-
from other sources:	1,607,900.0	-



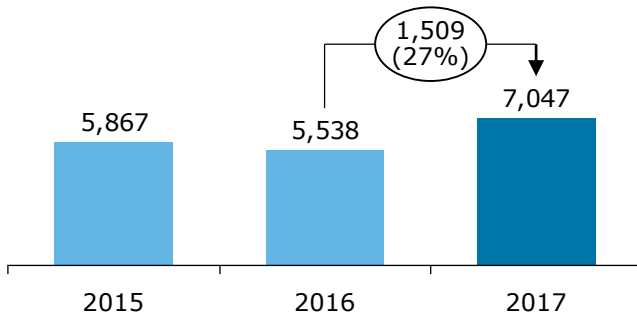
5.6. Security and Public Safety



Crime Situation

In 2017, the situation with crime solution improved. The number of solved criminal offences increased from 14,586 to 18,127, including grave and especially grave crimes from 5,113 to 6,461.

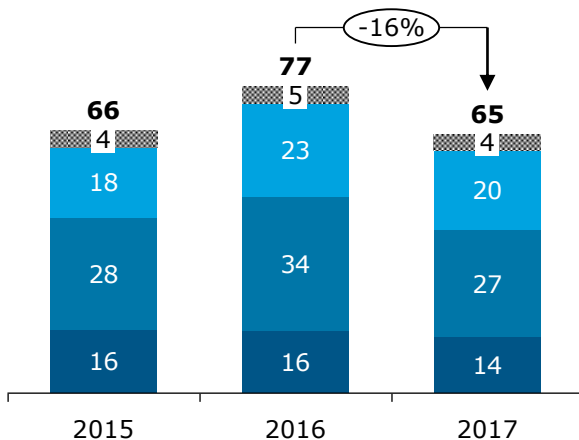
Number of persons who committed criminal offenses [persons]



To improve the public security, the Head Office of the Security Service of Ukraine in the city of Kyiv:

- Conducted 42 sting operations aimed at identifying deficiencies in the system of anti-terrorist security in respect of critical infrastructure facilities;
- Provided operational support to almost 1,300 public and political events.

Number of criminal offenses [thousand]

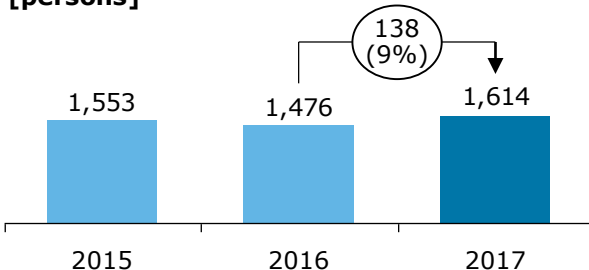


- Especially serious criminal offenses
- Serious criminal offenses
- Ordinary criminal offenses
- Minor criminal offenses

Change, %	Share, %	2016	2017
-11%	6%	6%	
-15%	30%	31%	
-20%	44%	42%	
-10%	20%	22%	

The fall in the crime rate occurred among all types of offenses, but ordinary criminal offenses decreased the most – by 20%.

Number of identified under-aged persons who were engaged in vagrancy and begging [persons]



6,076 family violence cases were documented in 2017



9,030 police visits related to ordinary family conflicts in 2017



1,725 under-aged persons were brought to administrative responsibility in 2017



Summary of Special Purpose Municipal Programs Execution Relating to Social Policies in 2017

Comprehensive Special Purpose Municipal Program "Safe Capital City" to Prevent and Combat Crimes in Kyiv for the Period of 2016-2018

Responsible for execution: Executive Office of the Executive Body of the Kyiv City Council (the Kyiv City State Administration)

Program goals:

- Ensure effective implementation of the state crime prevention policies through a complex of measures to eliminate causes and conditions of crimes, establish effective cooperation of law enforcement bodies, government authorities, and local government;
- Create a social crime prevention system and zero-tolerance crime environment;
- Facilitate effective functioning of law enforcement authorities to improve efficiency and increase crime detection rate;
- Increase the level of public order, ensure safety of residents, visitors, and tourists in Kyiv, encourage the implementation of modern systems and methods of work.

Key program activities and actions in 2017:

Ensured the development and improvement of the System for Centralized Management of Police Tactical Units "TSUNAMI":

- Modernized Cloud-platform for processing and storing data from the City's video-surveillance system (acquired a server and data warehouse on the Cloud-platform and did works on their assembling, tuning, and servicing);
- Implemented the system of IP-Telephones for units of the Central Office of the National Police in the city of Kyiv.
- Law enforcement bodies of the Capital City conducted 4 city-wide preventive events ("Holidays", "A Person on Records", "Ensuring Public Security and Safety during Health Improvement and Children-s Recreation in Summer", "Lesson") and a range of other preventive activities;
- Crime situation in the Capital City improved in comparison with 2016:
 - Crime rate decreased by 11.5%;
 - Share of solved crimes increased by 7.2%;
 - Time of arrival of patrol police tactical units decreased by 7.7%.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 120,882.4	Actual: 82,282.4	% of execution: 68%
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by sources:

from Kyiv's City budget: 120,882.4 82,282.4



Summary of Special Purpose Municipal Programs Execution Relating to Social Policies in 2017 (continued)

Special Purpose Municipal Program for Development of Territorial Subsystem in Single State Social Security System in the City of Kyiv for 2017-2019

Responsible for execution: Urban Improvement and Environmental Protection Department

Program goals:

- Ensure stable functioning of a territorial subsystem in single state social security system in the city of Kyiv;
- Resolve a complex of tasks on preventing man-made and natural emergencies;
- Minimize material and financial losses from emergencies and economic losses in the period of liquidation of emergencies and their consequences;
- Increase the level of technogenic protection of critical enhanced security facilities and heavily trafficked facilities in the city of Kyiv.

Key program activities and actions in 2017:

- Acquired 2 small size specialized emergency-rescue vehicles, 4 sets of diving outfits, 15 units of small powered plants, purchased 109 sets of specialized protective suits for firefighters, etc.;
- Provided help to residents of Kyiv in the course of varied origin emergencies (made 2,244 visits, rescued 122 persons);
- In comprehensive and vocational schools and pre-schools, arranged and held the following activities:
 - Civil Security Day (covered 242 thousand students, 3 thousand teachers and technical staff);
 - Child's Security Week (covered 97 thousand children and 665 educators).
- At business entities, conducted 742 lessons and trainings that covered 44 thousand persons;
- Information materials on origination and liquidation of emergencies were regularly placed in media (310 publications);
- Replenished the material base of the Executive Body of the Kyiv City Council (the Kyiv City State Administration) to prevent and liquidate emergencies in the city of Kyiv by 11 items for the total amount of UAH 409.9 thousand.

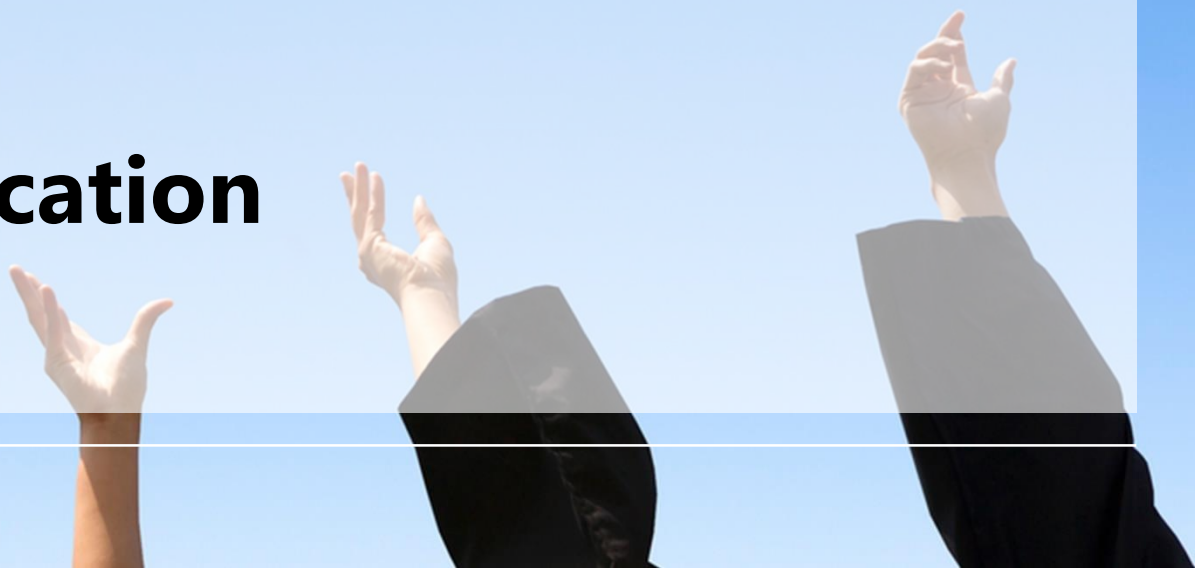
Volumes of funding for program activities in 2017, UAH thousand:	Plan: 78,751.6	Actual: 28,860.9	% of execution: 36.6%
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by sources:

from Kyiv's City budget:	72,952.0	28,860.8
from other sources:	5,799.6	-



5.7. Education



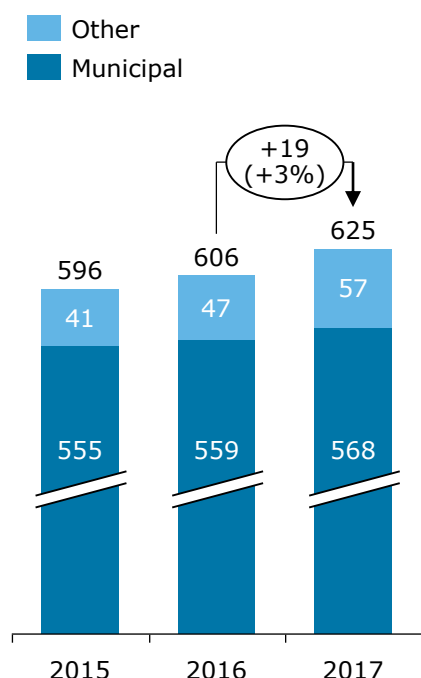


Education

Number of pre-schools increased by 19 units in 2017, what is the double growth compared to the prior year.

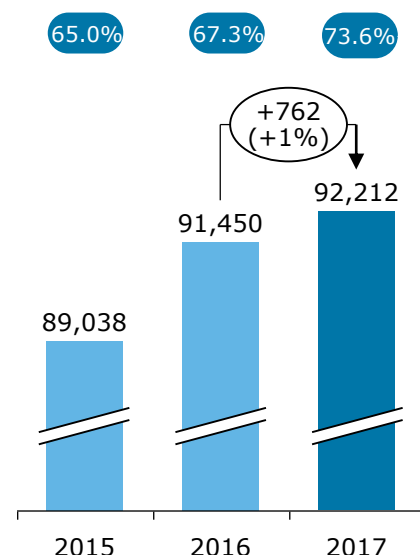
In 2017, the number of pre-schools in municipal ownership and children who studied there increased. 73.6% of total number of children of relevant age were covered by pre-schools.

Number of pre-school institutions [units]



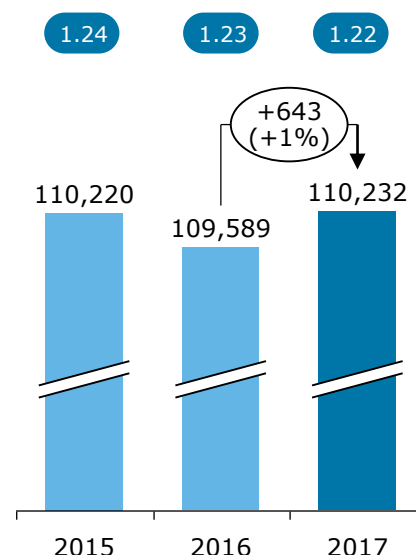
Number of places in pre-school institutions [persons]

Coverage of children by preschool institutions¹



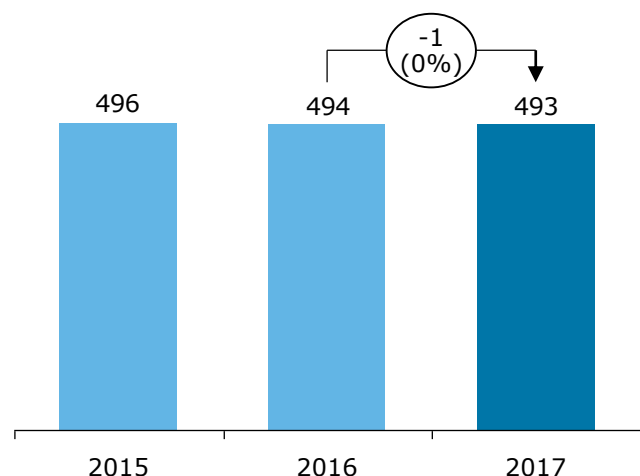
Number of children in pre-school institutions [persons]

Children per 1 place

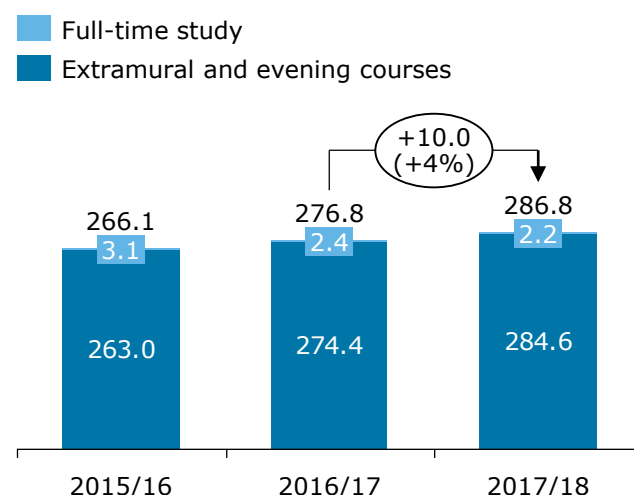


In 2017, 122 children were provided with 100 places in preschool institutions. This indicator increases every year, pursuant to the strategy of Kyiv; in 2020, each child will have a place in pre-schools.

Comprehensive secondary schools² [units]



Number of students in comprehensive secondary schools² [thousand persons]



¹ Share to the number of children of relevant age.

² Including industry-sponsored, private, and municipal institutions

Source: Department of Education and Science, Youth and Sports of the KCSA, <http://kiev.ukrstat.gov.ua>

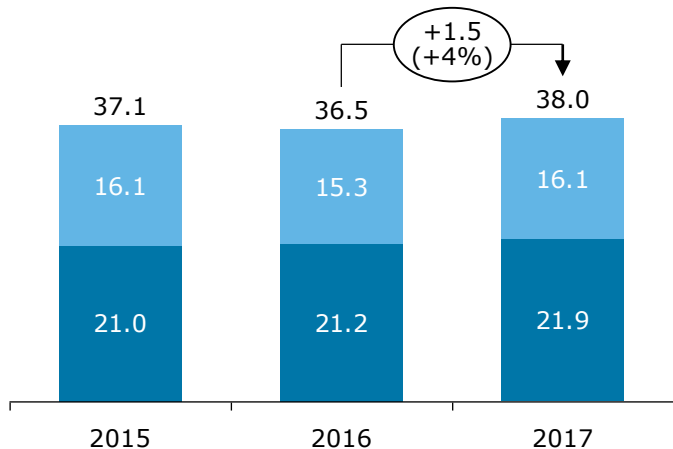
Calculated (estimated) and actual values may differ due to rounding.



Education (continued)

44 comprehensive secondary schools became participants of the All-Ukrainian Pedagogical Experiment "Primary School: Education for Life".

Graduates of comprehensive secondary schools [thousand persons]



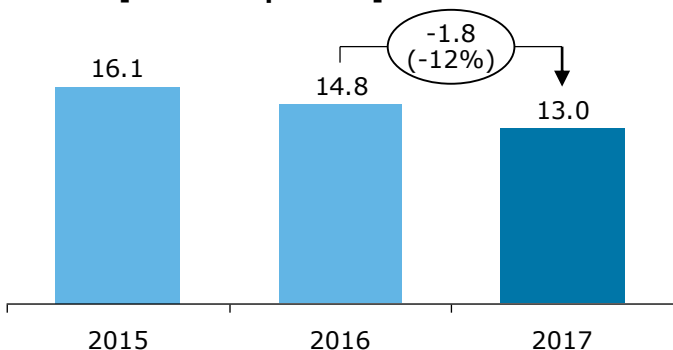
38 thousand

students graduated from comprehensive secondary schools in 2017/2018 academic year

- Graduated from III category schools (obtained a certificate of full general education)
- Graduated from II category schools (obtained a certificate of basic general education)

Vocational schools provided education to 603 orphans, of whom: 300 students – on complete state provision, 264 students – under guardianship, 39 students – from family-like orphanages. The food and scholarship allowances were provided in full.

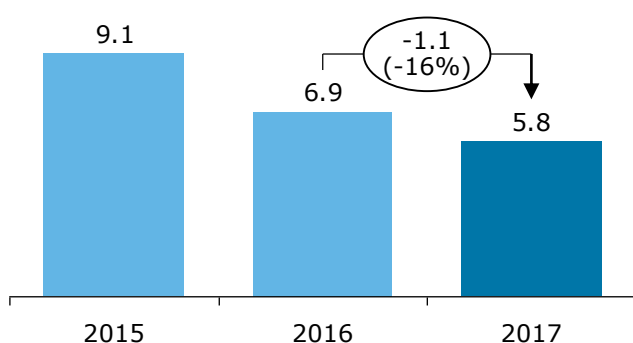
Number of students in vocational training schools [thousand persons]



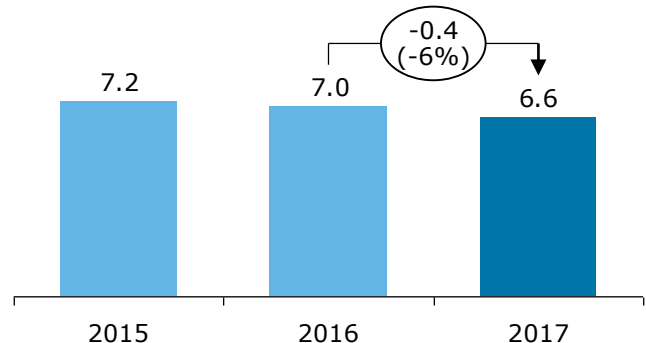
24

vocational training schools operated in Kyiv as at the end of 2017. Their number decreased compared to 2016 by 2 institutions

Number of people who entered vocational training schools [thousand persons]



Number of graduates from vocational training schools [thousand persons]



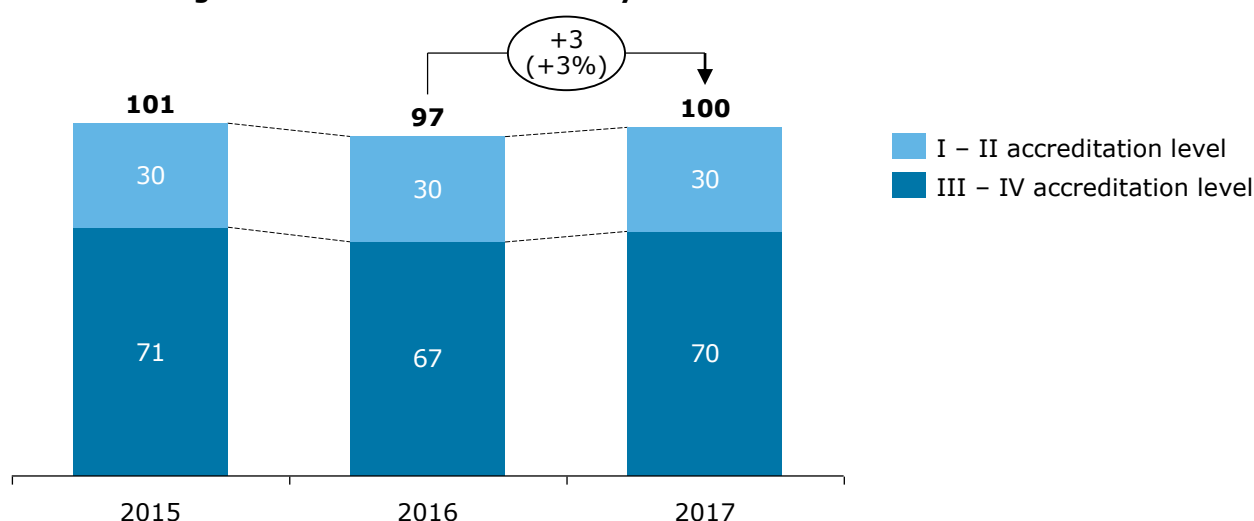


Education (continued)

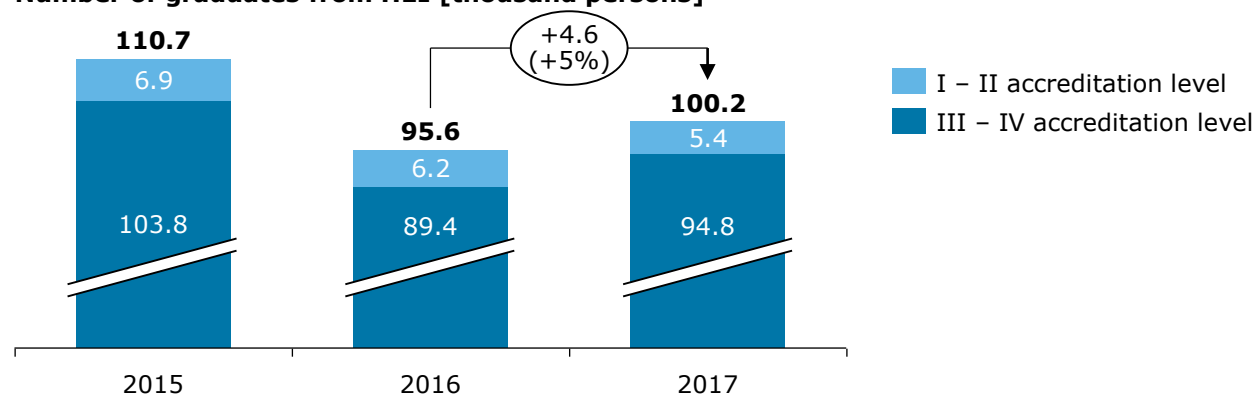
The number of enrolled students to higher education institutions increased compared to the prior year.

Number of higher education institutions (HEI) of III-VI accreditation levels increased by 3 at the beginning of 2017/2018 academic year. At the same time, the dynamics of growing number of graduates and applicants to higher education institutions is observed. Number of graduates of I-II accreditation level HEIs was 17.5 times less than of that of the III-IV accreditation level HEIs while number of enrolled students was 12.2 times less, correspondingly.

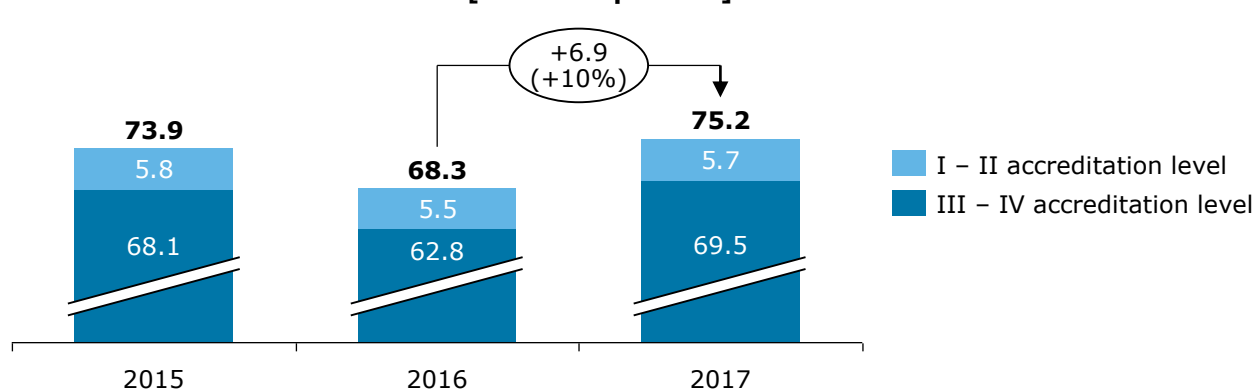
Number of higher education institutions in Kyiv



Number of graduates from HEI [thousand persons]



Number of HEI students enrolled [thousand persons]



Source: Department of Education and Science, Youth and Sports of the KCSA, <http://kiev.ukrstat.gov.ua>

Calculated (estimated) and actual values may differ due to rounding.



Summary of Special Purpose Municipal Programs Execution Related to Education in 2017

Special Purpose Municipal Program "Education in Kyiv for the Period of 2016–2018"

Responsible for execution: Department of Education and Science, Youth and Sports

Program goals: Expand favorable conditions and opportunities for comprehensive development of a person within the open educational space of the Capital City, ensure the transition to innovative education in the city of Kyiv.

Key program activities and actions in 2017:

Preschool education:

- Over 112.2 thousand children of preschool age study at institutions of different types and ownership, of which 3.3 thousand children of the parents holding the status of temporarily replaced persons. Accepted to preschool institutions out of turn;
- Renewed the work of 84 groups (1,675 places) in operating preschools, including through the implementation of the Project of the Ukrainian Social Investment Fund – 53 groups (1,060 places);
- Updated the platform of electronic enrollment system of children to preschool institutions of municipal ownership;
- Retained and expanded the network of groups for special and inclusive education in preschool institutions;
- Meal subsidies were provided to more than 100 thousand children, including 30% covered by the Special Fund of the municipal budget and 70% covered by parents' money. Free meals paid by the municipal budget were provided to 12.9 thousand children, including 2.9 thousand children of the ATO participants;
- Comprehensive secondary education;
- Expanded the network of inclusive classes;
- 223 classes operate in which 525 students study with special educational needs. 21 comprehensive secondary schools operate 67 special classes for 668 children with special educational needs;
- Ensured free foods to 123,735 students;
- 48 comprehensive secondary schools in the city of Kyiv and over 70 teachers joined to the efforts on implementation of the State Standard of Primary Education in the New Ukrainian School.

Nurture and extra-curricular education:

- 40 extra-curricular institutions of municipal ownership operate;
- Commenced research and experimental work "Organization and Educational Conditions of Pre-Profile and Profile Training in Preschool Institutions" on the basis of the Kyiv Palace of Children and Youth.
- Education institutions of Kyiv housed in June 75 day camps, in which 6,020 children recreated, of which free of charge – 516 children;
- During June, education institutions had 158 language camps operating, of which 23 – jointly with volunteer native speakers under the program of GoCamp.

Volumes of funding for program activities in 2017, UAH thousand:	Plan:	Actual:	% of execution:
	8,871,282.0	12,316,813.9	138.8%

by sources:

from Kyiv's City budget: 8,871,282.0 12,316,813.9



5.8. Tourism

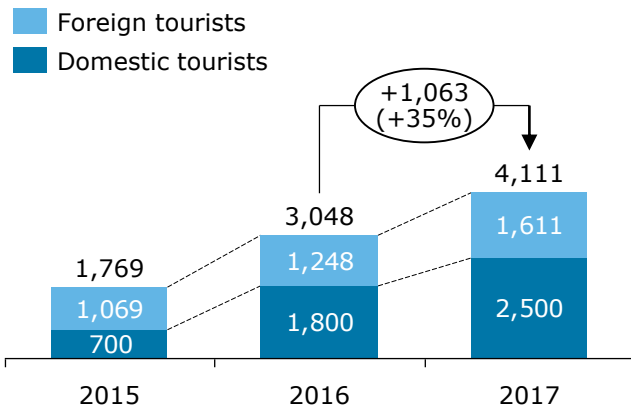


Tourism

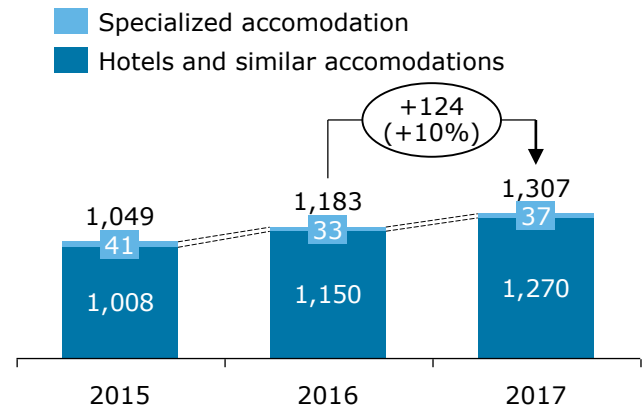
A positive dynamics is preserved in attraction of domestic and foreign tourists to Kyiv.

In 2017, number of foreign tourists grew by 29% in comparison with 2016. At the same time, number of domestic tourists increased by 70%. Such a growth is related to the increased number of cultural and entertainment events of international level, such as Atlas Weekend, MotoOpenFest, and others.

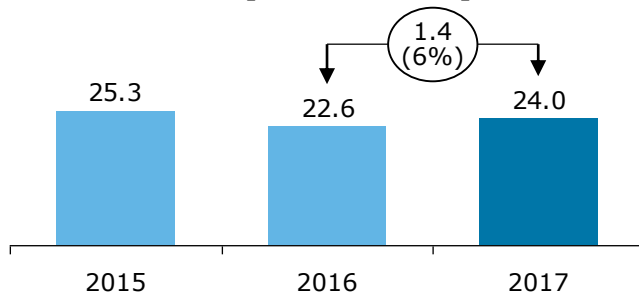
Number of foreign and domestic tourists [thousand persons]¹



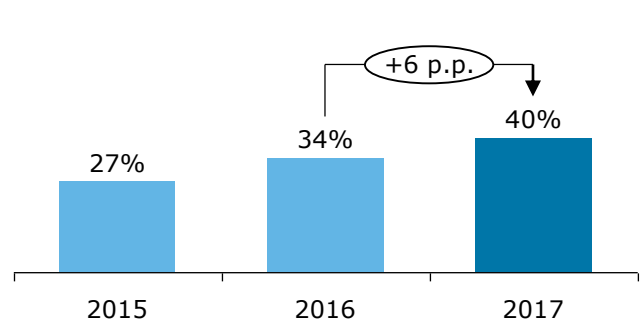
Number of persons who stayed at collective accommodations in Kyiv [thousand persons]



Number of places in collective accommodations [thousand units]

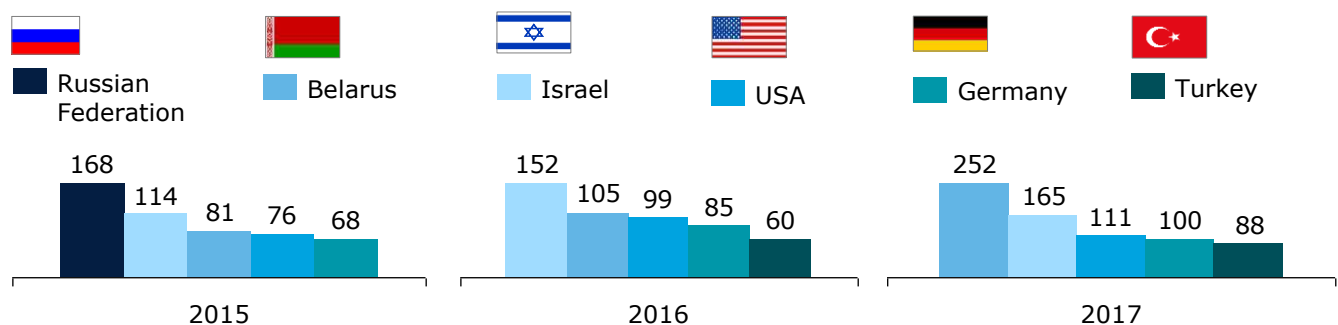


Room's average annual occupancy rate [%]



During the Eurovision Song Contest, the city of Kyiv was visited by about 60 thousand tourists, of which 20 thousand foreigners and 40 thousand domestic tourists.

Top 5 countries by number of foreign tourists to Kyiv [thousand persons]



Note: p.p. – percentage points

Source: Office of Tourism and Promotions of the KCSA, <http://kiev.ukrstat.gov.ua>
Calculated (estimated) and actual values may differ due to rounding.



Summary of Special Purpose Municipal Programs Execution in 2017 that Had an Impact on the Situation in Tourism

Special Purpose Municipal Tourism Development Program for 2016–2018

Responsible for execution: Office of Tourism and Promotions

Program goals:

- Promote the city of Kyiv as a tourist center, conduct image-creating policies through: participating in the most popular international tourist exhibitions; coverage in foreign TV channels and printed matter; arranging promo- and press-tours; holding annual festivals, exhibitions, fairs, etc.;
- Develop business, sports and health improvement, and youth tourism;
- Improve the tourism infrastructure (develop layouts of recreation and pedestrian zones, tourist routes; layouts of the network of motels and camping sites; create parking spaces and stops for tourist and excursion transport, etc.).

Key program activities and actions in 2017:

- Created 3 tourist and information centers;
- Created tourist photo zones with installed 3D constructions displaying the tourist logotype "Kyiv Is the City Where Everything Begins" in International Airport "Kyiv" (Zhuliany) and International Airport "Boryspil";
- Updated the system of tourist navigation about the City created in 2012;
- Created 20 stops for excursion motor transport;
- Conducted promotion events in respect of tourist attractiveness of the city of Kyiv within preparation and holding the Song Contest "Eurovision-2017", participated in international exhibitions: New York Times Travel Show, Balttour, IMTM, ITB, UITT, COTTM;
- Surveyed tourist flows to the city of Kyiv via social interviews of the City's tourists and guests, and conducted a market research of the hotel market in the city of Kyiv;
- Developed and implemented a tourist ID-card Kyiv Pass;
- Arranged advertising of tourism possibilities of Kyiv in media (onboard magazines of Wizz-Air, LOT, INTERCITY, Belavia, Panorama);
- Within the cross-reference promotion of the city of Kyiv, place information about "Touristic Kyiv" in the city of Istanbul (Turkey);
- Modernized the official mobile application of Kyiv (Kyiv City Guide);
- Implemented a comprehensive program of excursions to students. Developed 4 excursions in Ukrainian and English.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 54,430.0 ¹	Actual: 15,084.3	% of execution: 90.0% ²
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by sources:

from the Kyiv's City budget	34,340.0	15,084.3
from other sources:	20,090.0	-

The new version of Special Purpose Municipal Program for the Development of Tourism in the city of Kyiv for 2016–2018, approved in December 2017.

¹ Amendments were made to the Special Purpose Municipal Program for Development of Tourism in the city of Kyiv for 2016–2018, in accordance with resolution of the Kyiv City Council # 708/3715 dated 20 December 2017 on the increase in expenditures.

² Without taking into account the changes introduced by Resolution of the Kyiv City Council # 708/3715 dated 20 December 2017 and actually brought to the city of Kyiv by the budget of UAH 16,726.2 thousand in 2017.

Source: KCSA



5.9. Culture

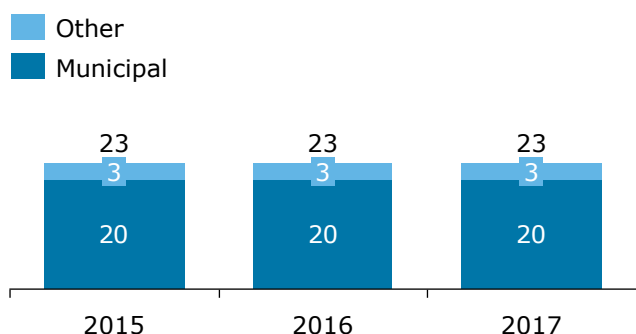


Culture and Art Institutions

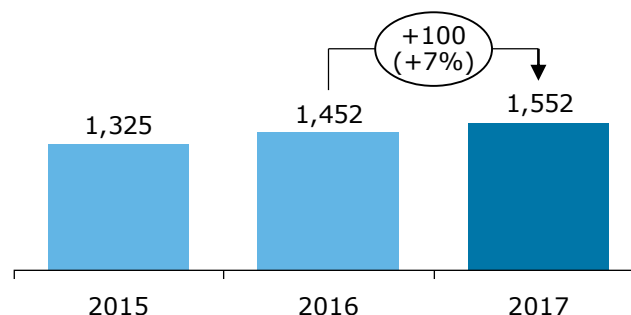
In 2017, 7 museum were moved from the state budget funding to local one.

The Kyiv City Council passed Resolution # 610/2772 dated 22 June 2017 to establish Theatrical Entertainment Organization "Kyiv Modern Ballet". The status of an academic institution was assigned to three municipal theaters – Kyiv Experimental Theater "Zoloti Vorota", new theater in Pechersk, and Theatrical Entertainment Organization "Kyiv Modern Ballet".

Number of theaters [units]

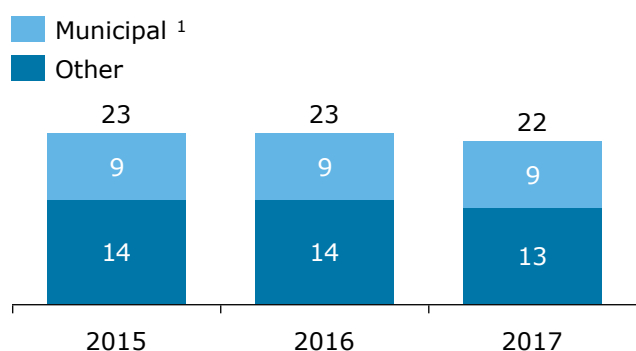


Number of theater visits [thousand persons]

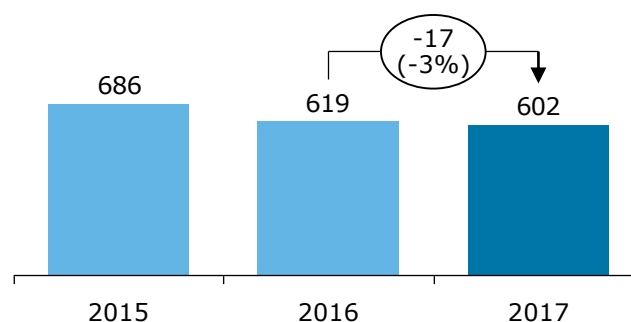


23 joint projects and 18 flash-mobs were held by theater and concert organizations. In 2017, number of concerts conducted by municipal teams increased from 454 units to 472 units.

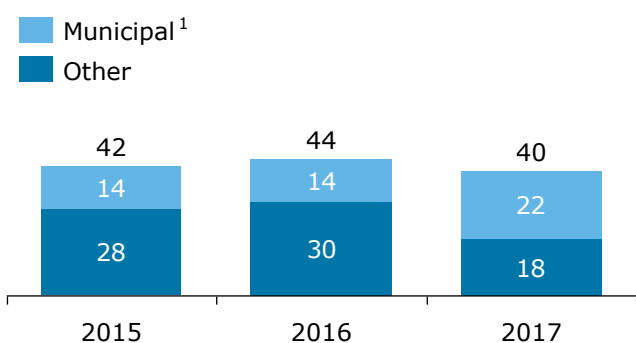
Number of concert organizations [units]



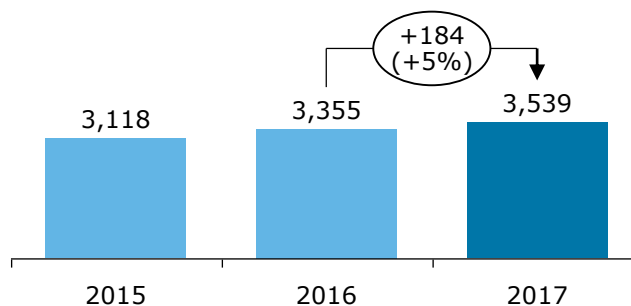
Number of concert entries [thousand persons]



Number of museums [units]



Number of museum visits [thousand persons]



Calculated (estimated) and actual values may differ due to rounding.

¹ 7 museums is in the process of transfer to the City' balance.

Source: <http://kiev.ukrstat.gov.ua>; Department of Culture of the KCSA



Culture and Art Institutions (continued)

5,255 plays were staged in municipal theaters in 2017, which was by 14% more than the planned figures.

Municipal movie theaters were visited by more than one million visitors. Of which almost 54 thousand visitors got used of the right to free of charge attendance, including: orphans, disabled children, children from multi-child families, participants of the ATO and their family members, other privileged categories of people.

Number of libraries¹



143

Number of movie theaters and public film screening places



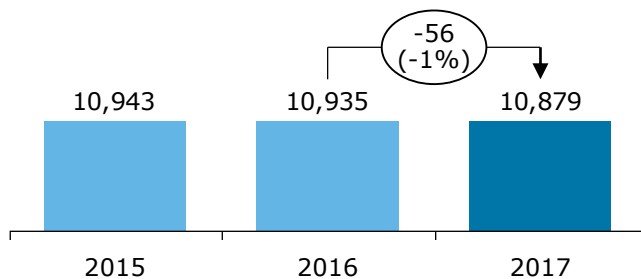
16

Number of club houses



30

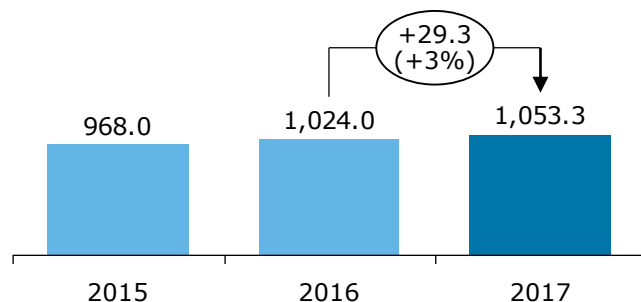
Library stock [thousand copies]



On the basis of the improved art department of City Specialized Youth Library "Moloda Hvardiia", a hybrid library has been established.

A pilot project has been commenced on the establishment of bibliohubs "Modern Library Environment" on the premises of Central District Library named after P. Tychyna in Dniproviskyi district, Central District Library "Svichado" in Sviatoshynskyi district, and District Library named after M. Kostomarov in Shevchenkovskyi district.

Number of movie goers to cinemas and public film screening places [thousand persons]



¹ Of which 139 libraries are municipal
Source: KCSA, <http://kiev.ukrstat.gov.ua>



Summary of Special Purpose Municipal Programs Execution in 2017 that Had an Impact on the Situation in Culture

Comprehensive Special Purpose Municipal Program "The Capital City's Culture" for 2016-2018

Responsible for execution: Department of Culture

Program goals:

- Preserve and develop professional arts;
- Support the variety of artistic activities in the city of Kyiv;
- Ensure general accessibility to information kept and provided for temporary use by public libraries;
- Promote free creative, intellectual, and spiritual development of children in primary specialized artistic schools (schools of aesthetic education), higher artistic education institutions and culture centers; promote the accessibility of artistic education and guarantee rights to its obtaining.

Key program activities and actions in 2017:

- Conducted 62 events under the financial support of Department of Culture and more than 30 activities in partnership with Department of Organizational Support;
- Conducted large-scale international artistic projects, in particular:
 - XI International Contest of Young Pianists named after Volodymyr Horovyt's (middle and senior groups);
 - X International Festival of Modern Arts "GOGOLFEST";
 - V International Music Festival "O-FEST";
 - International Contest of Conductors named after S. Turchak;
 - Kyiv International Movie Film Festival "Molodist";
 - International Festival of Guitar Arts "GitAs";
 - International Festival "Kyiv Musical First Nights";
 - Kyiv International Festival of Puppet Theaters "PuppetUP".
- Conducted 25-th ceremony of awarding Theater Award "Kyiv Pectoral";
- Awarded prize winners of Artistic Award "Kyiv"; for the first time, the award in the eighth nomination – choreographic arts named after Pavlo Virskyi;
- Created the Package Film "Everything Begins in Kyiv!";
- For the first time, conducted:
 - Culture and Arts Project – festival "MotoOpenFest";
 - Annual conference of International Association "Opera Europe";
 - Festival "Kyiv-Ethno-Music-Fest "Folk Virtuosos".
- Commenced the implementation of Pilot Project "Modern Library Space" on the premises of Central District Library named after P. Tychna in Dniprovskyi district, Central District Library "Svichado" in Sviatoshynskyi district, and District Library named after M. Kostomarov in Shevchenkivskyi district;
- Public Library named after Lesia Ukrainka for adults continued the creation of electronic library;
- Continued the activities of Charitable Arts Project "Krylati Nadii".



Summary of Special Purpose Municipal Programs Execution in 2017 that Had an Impact on the Situation in Culture (continued)

Comprehensive Special Purpose Municipal Program "The Capital City's Culture" for 2016–2018, Subprogram "Spiritual Kyiv"

Program goals:

- Develop the constitutional right to freedom of ideology and religion.
- Protect the rights and legal interests of religious organizations.
- Improve religious and ideological tolerance

Key program activities and actions in 2017:

- To organize the leisure time of the City dwellers during the celebration of social and religious events in Kyiv in 2017, the assistance was provided and a number of activities were carried out, in particular:
 - Celebration of the Epiphany in Hydropark near the Baptism of the Lord's Chapel;
 - Participation in the All-Ukrainian Holocaust Memorial "Six Million Hearts";
 - Conducted the National Easter Egg Festival 2017;
 - Participated in the festive reception on the occasion of the Holy Month of Ramadan;
 - Organized support to Protestant Religious Organizations in Kyiv by conducting the Festival of Spiritual Music and Singing within the celebration of the 500th anniversary of the Reformation.

Comprehensive Special Purpose Municipal Program "The Capital City's Culture" for 2016–2018, Subprogram "Ethnical Kyiv"

Program goals:

- Ensure free and equal development of citizens of all nationalities residing in Kyiv, satisfy their national and cultural needs; improve religious and ideological tolerance, avoidance of racism, xenophobia, and antisemitism;
- Create proper conditions for preserving, developing, and promoting ethnical, cultural, and language identities, learning native languages, history of persons representing national minorities and residing in the city of Kyiv.

Key program activities and actions in 2017:

- Conducted the following events:
 - Cultural and artistic activities within the framework of festive celebration of New Year and Christmas jointly with the Council of National Communities of Ukraine and the Kyiv City Association of the Greeks named after K. Ypsilanti in order to promote the Greek culture;
 - Cultural and educational action "My Native Language..." within the framework of International Day of Native Language;
 - Jointly with German Association "Widerstrahl", a round table on the topic: "German Minority. Yesterday. Today. Tomorrow";
 - Held an artistic event to the Day of Birthday of Great Kobzar "Glorious Son of the Great People";
 - Festival "Ethnical Circlet in Kontraktova Square" with participation of artistic groups of national and cultural communities within the framework of Kyiv's Day.



Summary of Special Purpose Municipal Programs Execution in 2017 that Had an Impact on the Situation in Culture (continued)

Comprehensive Special Purpose Municipal Program "The Capital City's Culture" for 2016-2018, Subprogram "Ethnical Kyiv" (continued)

- Cultural and artistic action "Mother Ukraine, You Are the One for Us" within the framework of the Ukrainian Independence Day;
- Arranged for reception of the Righteous Men of the Babyn Yar, with participation of the Mayor of Kyiv, representatives of state institutions, public organizations, clergy, diplomatic corps of foreign states within the celebration of the 76th anniversary of the Babyn Yar Tragedy.

Comprehensive Special Purpose Municipal Program "The Capital City's Culture" for 2016-2018, Subprogram "Historical Kyiv"

Program goals: Preserve historical identity and develop culture in the city of Kyiv

Key program activities and actions in 2017:

- Conducted monitoring of the state of tangible cultural heritage items and signing of protection agreements with owners of premises and cultural heritage items;
- Performed the inventory stock taking based on which accounting documents were prepared for 90 items of cultural heritage;
- Performed researches and, based on their results, prepared 10 copies of accounting documents for the items proposed for entering in the List of Newly Identified Cultural Heritage Items;
- Prepared and held the opening ceremony of 20 memorial plates (commemorative signs) in memory of outstanding persons;
- Conducted inspections: issued 8 resolutions on financial sanctions in the total amount of UAH 687.2 thousand, executed 12 acts on violation of rules, prepared 57 orders and 8 protocols on administrative offences;
- Conducted an ongoing monitoring in the Central Historical Area of the City, in the territories of protective zones of the UNESCO heritage sites: "Kyiv: St. Sophia's Cathedral with Adjacent Monastery Buildings, and Kyiv-Pechersk Lavra".

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 1,355,951.8	Actual: 1,853,764.7	% of execution: 137%
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by sources:

from Kyiv City's budget:	1,113,334.4	1,655,144.2
from other sources:	242,617.4	198,620.5



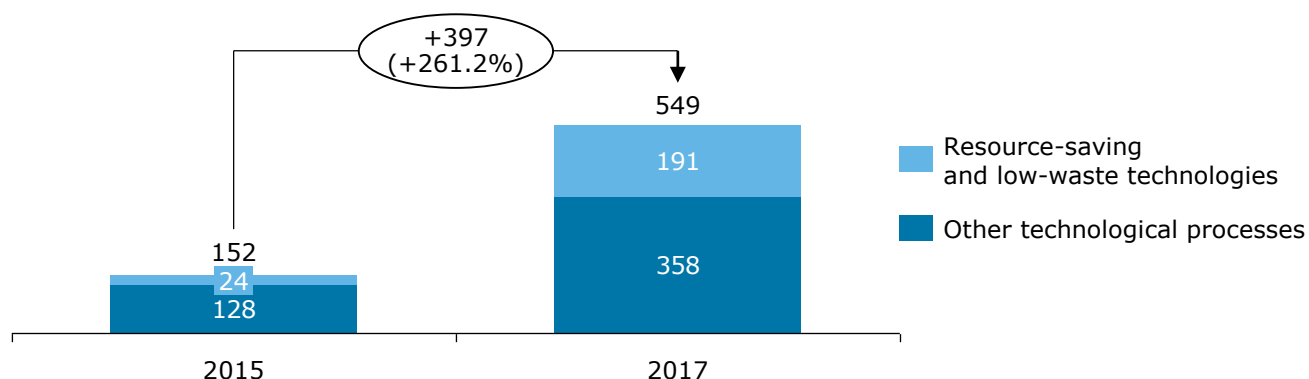
5.10. Science, Technologies, and Innovations



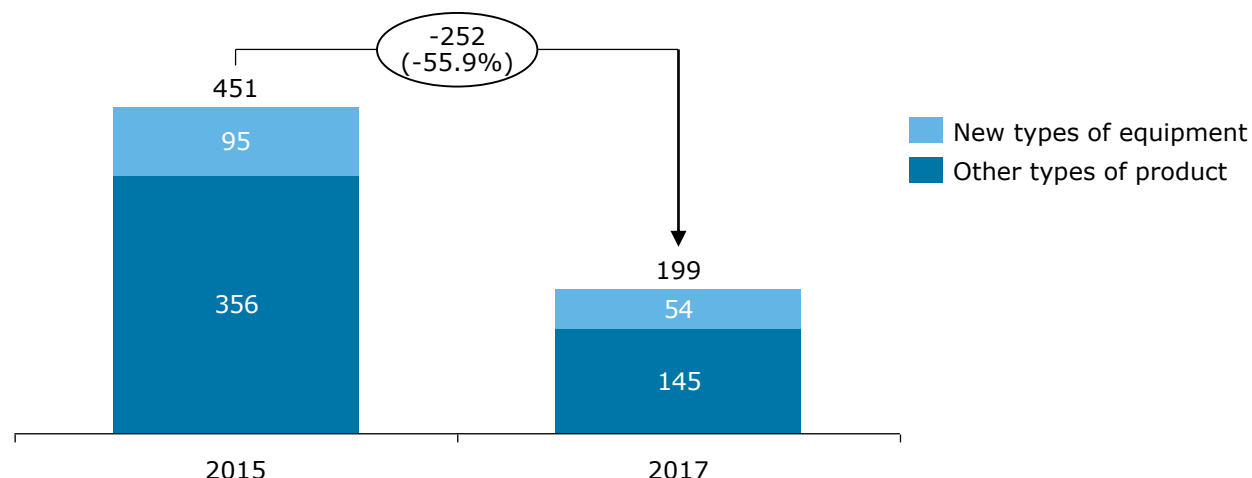
Organizations Conducting Research and Development and Scientific Staff

In 2017, number of implemented new technological processes increased 2.5 times compared to 2015, at the same time, the number of innovating types of products decreased, which is related to the fact that implementation of new technological processes aims at reducing cost of products, however, such a process does not necessarily lead to the creation of innovating types of products. In addition, it is worth noting that a new type of products can be treated as innovating only during three years.

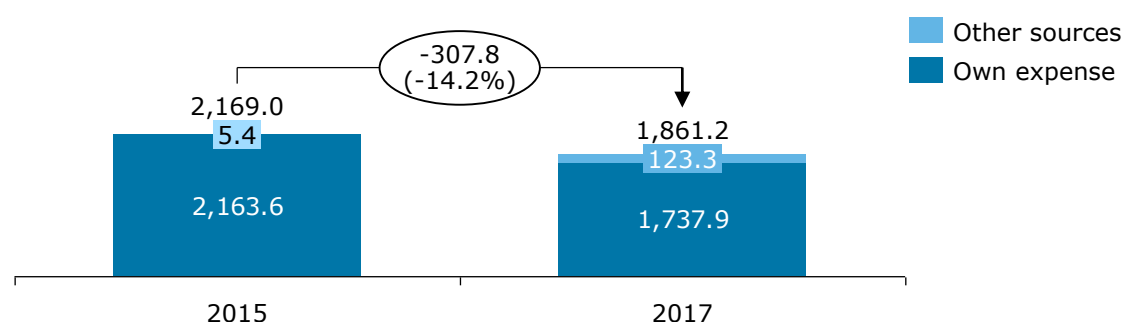
Implementation of new technological processes^{1,2} [units]



Innovating types of products² [units]



Sources of funding innovating activities, 2014–2017^{1,2} [UAH billion]



¹ Periods for conducting state statistical observations in respect of innovating activities of industrial entities has been changed from "annual" to "once in two years" effective from 2015.

² Effective from 2015, direct comparing of data with similar data of the prior years is incorrect due to changes in the organization and conducting state statistical observations.

Calculated (estimated) and actual values may differ due to rounding.

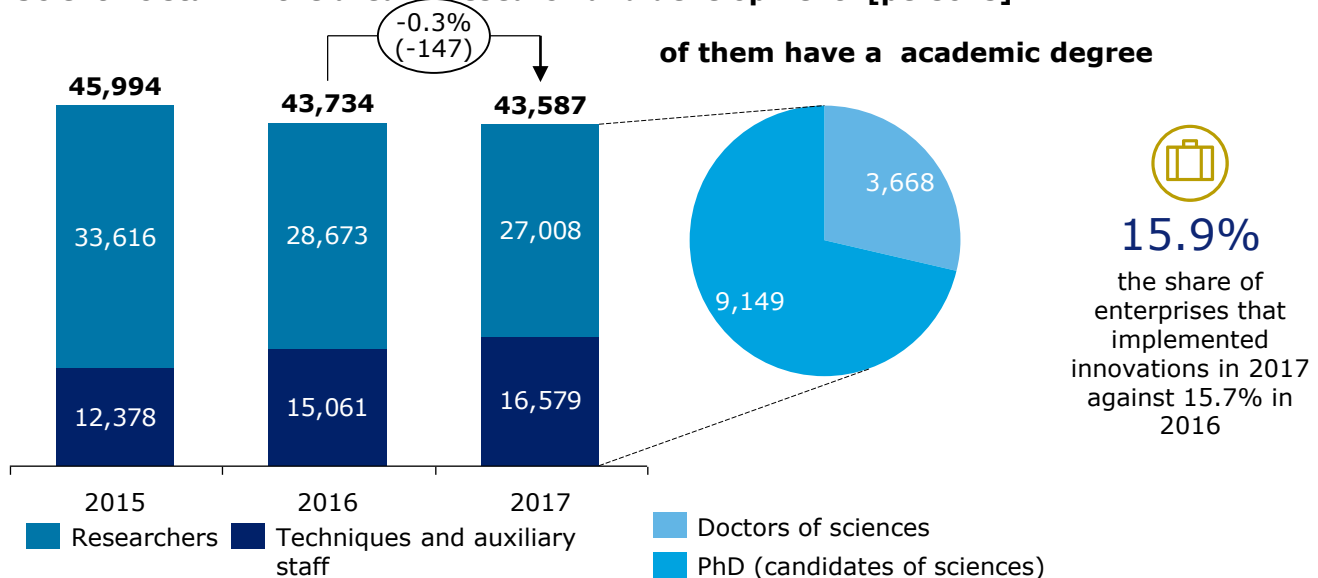
Source: KCSA, <http://kiev.ukrstat.gov.ua>



Organizations Conducting Research and Development and Scientific Staff

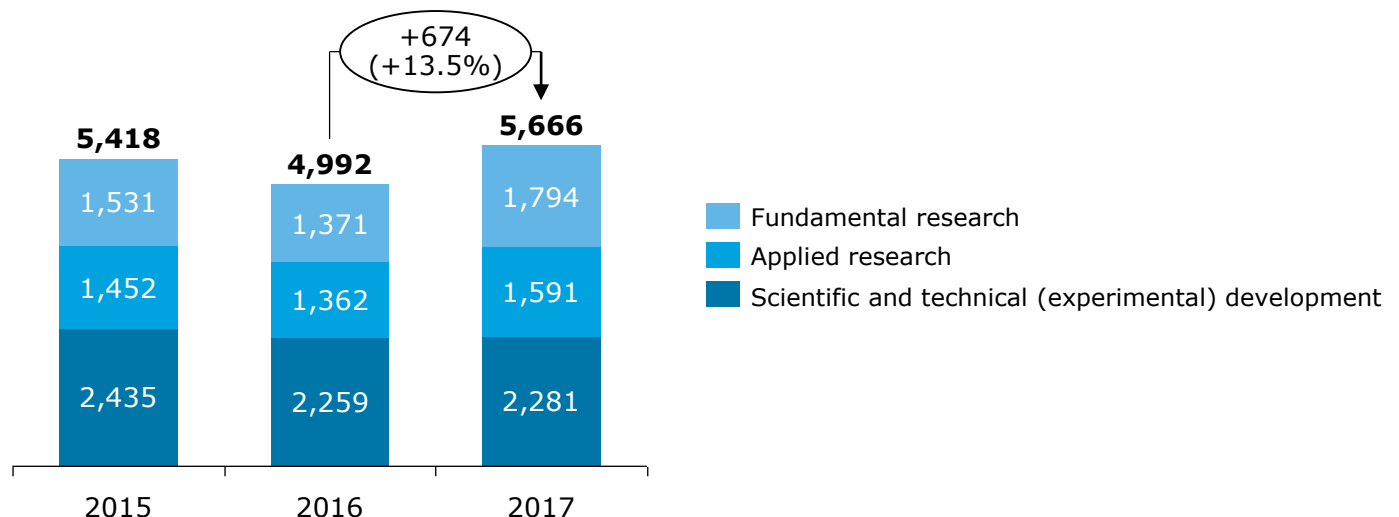
Expenditures for research and development in 2017 increased by UAH 674 million.

Scientific staff in the area of research and development¹ [persons]



In order to stabilize the work of the industrial complex of the City, intensify domestic demand, and support local producers, cooperation with the scientists continued under the Agreement with the National Academy of Sciences of Ukraine, the Agreement with National Technical University "Kyiv Polytechnic Institute", and Scientific Park "Kyiv Polytechnic", the Agreement with the National University named after T. Shevchenko and the Scientific Park "Kyiv Polytechnic".

Expenses for the performance of scientific research and development by type of work² [million UAH]



The calculated (estimated) values may not correspond to the actual values due to rounding.

¹ Data for 2015 contain information on permanent and temporary workers (compatriots and persons working under contracts of a civil-law nature, including scientific and pedagogical workers), since 2016, data are provided without taking into account scientific and pedagogical workers.

² Data on expenditure on the implementation of the 2015 R&D program is recalculated in accordance with the new methodology for organizing and conducting state statistical observation "Realization of Scientific Researches and Development" which was introduced from 2016 (excluding the costs of scientific and technical services).

Source: KCSA, <http://kiev.ukrstat.gov.ua>



Summary of Special Purpose Municipal Programs Execution in 2017 that Had an Impact on the Situation in Science, Technologies, and Innovations

Comprehensive Special Purpose Municipal Program "Electronic Capital City" for 2015-2018

Responsible for execution: Department of Information and Communication Technologies

Program goals:

- Increase the level and quality of life of Kyiv's residents;
- Increase the effectiveness and openness of municipal governance;
- Improve the operations of municipal facilities and ecology of the City.

Key program activities and actions in 2017:

- Performed the modernization and functional expansion of information and telecommunication system "Single Web-Portal of the Territorial Community of the City of Kyiv";
- Created a software platform for rendering electronic services, including administrative ones;
- Developed a web-portal for rendering electronic services, including administrative;
- Created and implemented a comprehensive information and analytical system for managing financial and business activities in the city of Kyiv;
- Created information and analytical system "Management of Property Complexes of the Territorial Community of Kyiv". Connected 43 official layers for reflecting the City's map;
- Created information and analytical system "Electronic Medicine». For municipal health care facilities, acquired computer technologies: 370 modern sets and 145 multifunctional devices;
- Modernized a system for enrolling to Kyiv's kindergartens within the framework of creating the platform "Single Education Space of the City of Kyiv";
- Created information and telecommunication system "Information and Analytical Reporting for Public Authorities, Residents, and Business";
- Developed a comprehensive system of video-surveillance in the city of Kyiv. In 2017, total number of surveillance means amounted to 5,815 units;
- Created the municipal network infrastructure. Installed network equipment on 70 network points of the City and provided high-speed Internet services to 200 municipal facilities. Installed 150 km of optical fiber cable;
- Created a nucleus of corporate phone network, obtained a license of telephone operator, etc.;
- Installed 83 tableaus indicating the routes and time of public transport arrival to stops;
- Continued developing the service of online updates on the events in Kyiv (changes in traffic movement, closed roads, switched off utilities, emergencies, searches of blood donors, etc.) – 60,000 Kyiv residents subscribed for the service. 20,000 of them receive sms messages, etc.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 679,642.8	Actual: 588,683.5	% of execution: 86.6%
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by sources:

from Kyiv's City budget:	679,642.8	588,683.5
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Project “Kyiv Smart City”

In 2017, within the project of Kyiv Smart City, Accelerator of Municipal Projects was started, Kyiv Smart City forum was held, and Academy of Coding on the basis of Kyiv Smart City School was launched.

“Kyiv Smart City School” Project

- **Goal:** Increase education level and popularize knowledge on the development of new technologies by supplying with free training programs children of all age groups, with the involvement of partner organizations. Conducted within optional courses in the capital City’s schools;
- **Description:** Educational platform aimed at comprehensive complementation of the existing curriculum with additional knowledge in innovations and technologies;
- **Execution:** Launched an optional course “Academy of Coding” in Kyiv Comprehensive School # 61; launched a free optional course on designing and coding Arduino.

“Accelerator of Municipal Projects”

- **Goal:** Assist in realizing solutions and products that would become a part of the City’s information and communication structure;
- **Description:** Accelerator provides resources to the selected projects that should accelerate the process of a product’s finalization and its bringing to the market or the stage of creating a pilot project;
- **Execution:** Commenced acceptance of projects for participation in Accelerator.

“Kyiv Smart City Hub” Project

- **Goal:** Inspire and consolidate leaders and agents of changes. Provide them with maximum possibilities for projects’ implementation that would finally promote the development of Kyiv;
 - **Description:** The Hub will consistently hold events on local themes – hackathons of presentation, round tables. Communication is maintained of stakeholders who work on the implementation of smart solution is maintained.
-



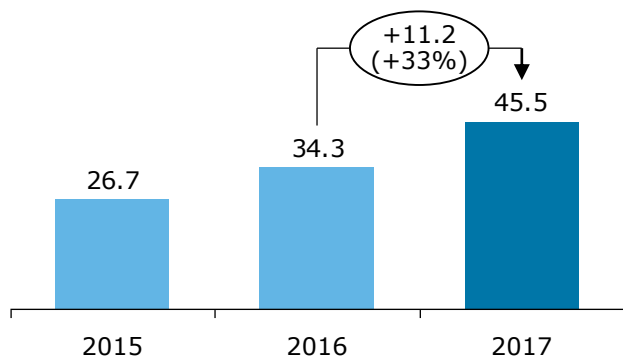
5.11. Ecology and Environment



Ecology and Environment

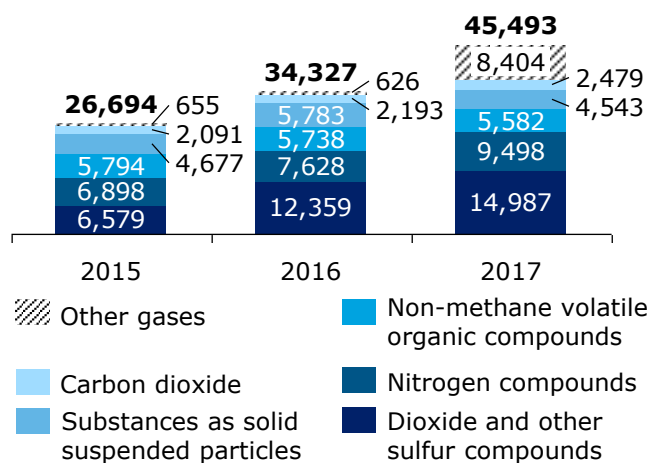
Growth is observed in the volumes of contaminating substances and carbon dioxide emissions to the air.

Volumes of contaminating substance emissions by stationary sources [thousand tons]

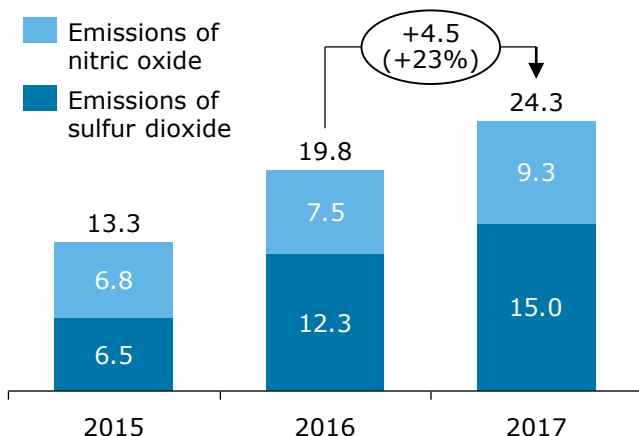


In 2017, volume of air emissions of sulfur dioxide and nitric oxide from the stationary sources of pollution increased by 23%.

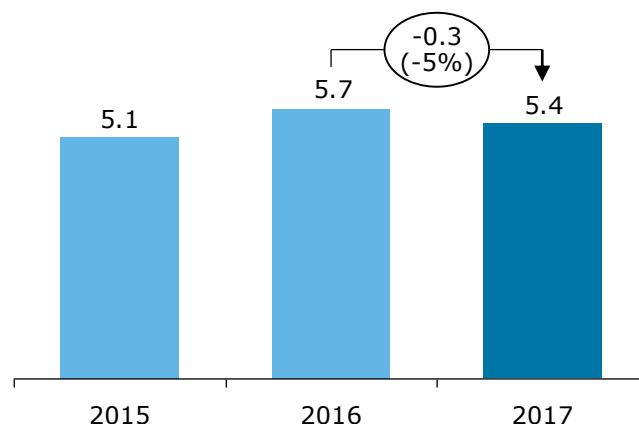
Air emissions of certain substances from stationary sources [million tons]



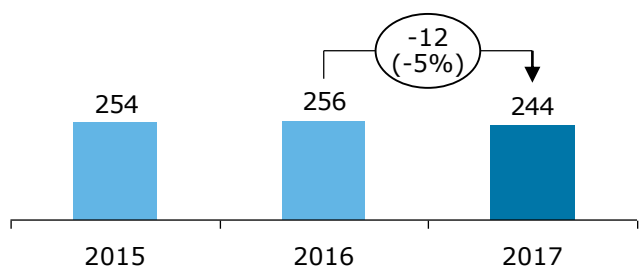
Air emissions of sulfur dioxide and nitric oxide¹ [thousand tons]



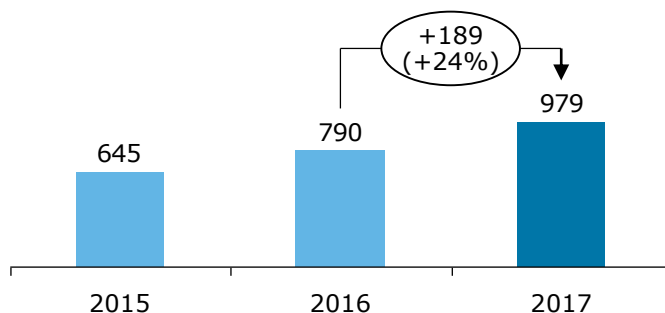
Carbon dioxide emissions by stationary sources [million tons]



Wastes burnt [thousand tons]



Wastes withdrawn [thousand tons]



Calculated (estimated) and actual values may differ due to rounding.

¹ Taking into account emissions from road, rail, air, and water transport and production equipment.

For 2016-2017, calculations for emissions of pollutants, carbon dioxide, sulfur dioxide and nitrogen oxides by mobile sources of pollution were not conducted.

Source: KCSA, <http://kiev.ukrstat.gov.ua>



Summary of Special Purpose Municipal Programs Execution in 2017 that Had an Impact on the Situation in Ecology and Environment

Kyiv's Special Purpose Municipal Program on Pet Care Control and Regulation of the Number of Homeless Animals by Humane Methods for 2017-2019

Responsible for execution: Department of Urban Improvement and Environmental Protection Development

Program goals:

- Undertake measures on improvement of controls over compliance with the rules of keeping pet animals and their number in the city of Kyiv;
- Reduce the number of homeless animals using humane methods;
- Implement the concept of "Cultured Walking of Animals in the City"; create comfortable and excluding cruelty conditions for humane co-existence of people and animals in the ecological system of the City;
- Increase the responsibility of pet holders; decrease social tension and degree of conflicts caused by the situation with homeless animals, prevent the spread of cruelty.

Key program activities and actions in 2017:

- Sterilized/castrated 9,555 homeless animals; ensured after-operation keeping of 2,684 homeless animals;
- Vaccinated against rabies 9,368 homeless animals;
- Provided veterinary assistance to 170 homeless animals;
- Conducted operations to 54 injured homeless animals;
- Rendered laboratory and diagnostic services to 399 homeless animals;
- Conducted raiding checks in respect of rules violation of animal keeping, executed 340 acts;
- Granted financial aid to public organizations of Kyiv involved in keeping shelters for animals.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 19,755.0	Actual: 17,656.5	% of execution: 89%
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by sources:

from Kyiv's City budget:	19,265.0	17,072.5
from other sources:	490.0	584.0



Summary of Special Purpose Municipal Programs Execution in 2017 that Had an Impact on the Situation in Ecology and Environment (continued)

Kyiv's City Land Use and Conservation Program for 2016-2020

Responsible for execution: Department of Land Resources

Program goals:

- Create and establish boundaries of municipally owned lands of the territorial community of the city of Kyiv;
- Determine ways for improved management in the area of use and protection of Kyiv's lands, increase the role of local self-government in the sphere of land relation regulation;
- Arrange for executing rights to land by all land users;
- Optimize the City's land optimization system;
- Simplify the procedures of executing rights to land;
- Improve the efficiency of municipal land use and increase proceeds to the City's budget from taxes to land, sales of land plots, and land leases rights;
- Increase environmental and economic efficiency of municipal lands use.

Key program activities and actions in 2017:

- Developed technical documents on established boundaries according to the stock taking of Kyiv's City lands by municipal facilities;
- Conducted work on preparation of land preparing, land estimating, and urban development documents to prepare sites for sale;
- Conducted monitoring of lands and control of their use and protection of lands in the course of audits and examinations within local government controls over the compliance of land owners and land holders with the requirements of the land legislation, established regulations on the use of lands in accordance with their intended use;
- Provided maintenance and development of municipal land cadaster.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 32,200.0	Actual: 10,747.6	% of execution: 33.4%
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by sources:

from Kyiv's City budget:	32,200.0	10,747.6
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5.12. Other Special Purpose Municipal Programs



Summary of Other Special Purpose Municipal Programs Execution

Special Purpose Municipal Program "Managing Municipal Facilities Owned by the Territorial Community of the City of Kyiv for 2016–2018"

Responsible for execution: Department of Kyiv's Municipal Properties

Program goals: Increase volumes of proceeds to Kyiv's budget via implemented modern information technologies, automated process of decision making, their controlled execution, new technological processes implemented

Key program activities and actions in 2017:

- Performed state registration of 1,619 municipal property items of the territorial community of Kyiv;
- Developed a classifier of immovable and movable properties of the territorial community of the city of Kyiv;
- Implemented a pilot project on digitalization of inventory files.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 7,350.0	Actual: 11,719.9	% of execution: 159.5%
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by sources:

from Kyiv's City budget:	3,050.0	1,940.4
from other sources:	4,300.0	9,779.5



Summary of Other Special Purpose Municipal Programs Execution (continued)

Special Purpose Municipal Program "Promoting the Development of Civic Society in the City of Kyiv for 2017-2019"

Responsible for execution: Department of Public Communications

Program goals:

- Create favorable conditions for the development of civic society;
- Ensure comprehensive protection of rights and freedoms of citizens; establish effective interaction of municipal authorities with civic society;
- Restore the historically developed toponymical names in the city of Kyiv; promote the development of the national idea;
- Implement in public relations the principles of patriotism, public morale, and spiritual values and strengthen organizational and legal, financial and economic foundations of bodies of self-organization of population;
- Popularize the best experience in the sphere of establishing and developing self-government in the city of Kyiv and create favorable conditions for participation of Kyiv's residents in resolving local issues.

Key program activities and actions in 2017:

- Held 5 meetings of Public Council at the KCSA;
- Conducted 9 district forums on communicative strategies of local authorities and the public and First Forum of Public Councils of Kyiv "Great Capital City-2018";
- Held Kyiv Forum of Civic Society Organization "Co-operation and Development";
- During September 2017, conducted the first competitive tender "Successful Practices of Realizing Public Initiatives in Resolving Local Issues";
- Jointly with the European Council Office, launched the project "Assisting the Participation of Citizens in the Democratic Process of Decision Making";
- Continued work on realization of the project "Improving the Access of Civic Society Organizations of Ukraine to Social Services";
- Held the round table "Updating the Assessment of Needs in Social Services: Interaction of Government Authorities and Non-Government Organizations in the City of Kyiv" on the premises of the OSCE Project Coordinator's office in Ukraine;
- Coordinated activities on preparing and conducting official activities in respect of commemorating national, municipal holidays and remarkable dates, in particular: the National Unity Day of Ukraine, the Memorial Day of Kruty Heroes, the Memorial Day of the Sky Hundred, 203-d Anniversary of Taras Shevchenko;
- Rendered 89 consultations on initiating bodies of self-organization of population.

Volumes of funding for program activities in 2017, UAH thousand:	Plan:	Actual:	% of execution:
	26,002.5	20,744.2	80%

by sources:

from Kyiv's City budget:	26,002.5	20,744.2
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Summary of Other Special Purpose Municipal Programs Execution (continued)

Special Purpose Municipal Program on Strengthening and Development of International Relations for the Period of 2015–2018

Responsible for execution: Executive Office of the Executive Body of the Kyiv City Council (the Kyiv City State Administration)

Program goals:

- Implement the foreign policy course of Ukraine from the viewpoint of the leading positions of Kyiv as the capital of Ukraine;
- Optimize the processes of adapting management and business methodologies to global standards via effective involvement of the best foreign experience;
- Search for partners in realizing joint social and humanitarian and investment projects;
- Intensify work on raising off-budget resources (grants, technical assistance programs, etc.) aimed at the implementation of municipal development programs for the needs of Kyiv's community.

Key program activities and actions in 2017:

- Ensured for holding 283 international events (assemblies, meetings, seminars, receptions, etc.).

Volumes of funding for program activities in 2017, UAH thousand:	Plan:	Actual:	% of execution:
	8,000.0	7,403.7	92.5%

by sources:

from Kyiv's City budget:	8,000.0	7,403.7
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Summary of Other Special Purpose Municipal Programs Execution (continued)

Special Purpose Municipal Program "Awards" for 2017-2018

Responsible for execution: Executive Office of the KCSA

Program goals:

Improve:

- Procedure of awards in the city of Kyiv, ensure its development on the basis of democracy, openness, publicity, and transparency, improve social significance of municipal awards;
- Procedure for making decisions on granting municipal awards, resolve issues of financial and material and technical support to awarding.

Key program activities and actions in 2017:

- Ensured organization and software and technical support to the process of awarding Kyivans;
- Awarded 5,247 persons, in particular with:
 - Title "Honorary Citizen of the City of Kyiv" – 3 persons;
 - Award Pin "Token of respect" – 25 persons;
 - Medal "Honor. Glory. State" – 1,826 persons;
 - Honorary Certificate of the Mayor of Kyiv – 330 persons;
 - Acknowledgement Certificate of the Mayor of Kyiv – 2,561 persons;
 - Certificate of Merit of the Kyiv City State Administration – 502 persons.

Volumes of funding for program activities in 2017, UAH thousand:	Plan: 6,701.3	Actual: 919.2	% of execution: 13.7%
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by sources:

from Kyiv's City budget:	6,701.3	919.2
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Summary of Other Special Purpose Municipal Programs Execution (continued)

Special Purpose Municipal Program "Informational Kyiv" for 2016–2018

Responsible for execution: Department of Public Communications

Program goals:

- Ensure for public awareness of citizens about the activities of local government authorities via assistance of municipal mass media;
- Develop digital communications, arrange for cooperation with information agencies and civic society institutes

Key program activities and actions in 2017:

- Ensured making public the operational, objective, and reliable information about the activities of bodies of executive and local government authorities by TC "Kyiv", Radiostantsiia "Holos Kyiva", papers "Vechirnii Kyiv" and "Khreshchatyk";
- Conducted 18 multimedia information campaigns with the participation of public society, in particular: "Public Budget of Kyiv", "Ukrainian Speaking Kyiv", "Kyiv Reads", "Basic Rules of Visa-Free Regime with the EU", "De-communization of the Capital City", "Touristic Podil", and others;
- Official Internet-Portal of the KCSA ensured the access to contents of the resolutions issued by the KCSA and the Kyiv Mayor 24 hours per day, 7 days per week;
- Conducted 23 public activities to promote publicly significant information, stimulate public discussions, shape public opinions with the participation of experts, deputies of the Kyiv City Council, public leaders;
- Organized two photo exhibitions;
- Developed the project of "Communicating Strategies for Popularizing the Ukrainian Language";
- Conducted a tender procurement on issuing 13 scripts in total number of 4,500 copies, all issued books transferred to replenish stocks of 139 municipal libraries;
- Organized 6 trainings/workshops for media communication experts of structural units, DSAs, and media.

Volumes of funding for program activities in 2017, UAH thousand:	Plan:	Actual:	% of execution:
	73,380.7	77,157.6	105.1%

by sources:

from Kyiv's City budget:	60,751.4	60,545.8
from other sources:	12,629.3	16,611.8



Summary of Other Special Purpose Municipal Programs Execution (continued)

Special Purpose Municipal Program “Improving the Organization of Citizens’ Preparation to Military Service, Assigning to Enlistment Office, Enlisting to Forced Military Service, Mobilizing of the Liable for Service, Accepting for Under Contracts” for 2016-2018

Responsible for execution: Executive Office of the KCSA

Program goals:

- Ensure the high organization in the course of enlisting to forced military service and persons liable to military duty to bring up to strength the Armed Forces of Ukraine and other military units;
- Improve the mobilization readiness of entities, institutions, and organizations to perform the tasks of supplying vehicles and machinery to the Armed Forces of Ukraine, other military units, increase the defense capacity of the country taken as a whole.

Key program activities and actions in 2017:

- Provided motor vehicles to district military registration and enlistment offices in the city of Kyiv for carrying military doctors’ commission, manpower of enlisted persons and liable to the military duty to gathering points and training places;
- Improved material and technical facilities of the Kyiv’s City and district military registration and enlistment offices in the city of Kyiv, gathering point of the Kyiv’s City military registration and enlistment office:
 - equipped class for professional and psychological selection of recruits, liable to the military duty, contractors;
 - updated the computer technologies;
 - performed current repairs of premises.
- Conducted activities on assigning of Kyiv’s residents to enlistment offices, enlisting to forced military service of citizens, in particular, the plan was fulfilled by 100%, and concluding military service contracts – by 71.4%.


Volumes of funding for program activities in 2017, UAH thousand:	Plan: 7,148.5	Actual: 2,661.1	% of execution: 37.2%
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by sources:

from Kyiv’s City budget:	7,148.5	2,661.1
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6. Analysis of Kyiv's City Budget Execution in 2017



6.1. Regulatory Framework of the Budget Process



Key Regulations in Respect of the Kyiv's City Budget Preparation and Execution

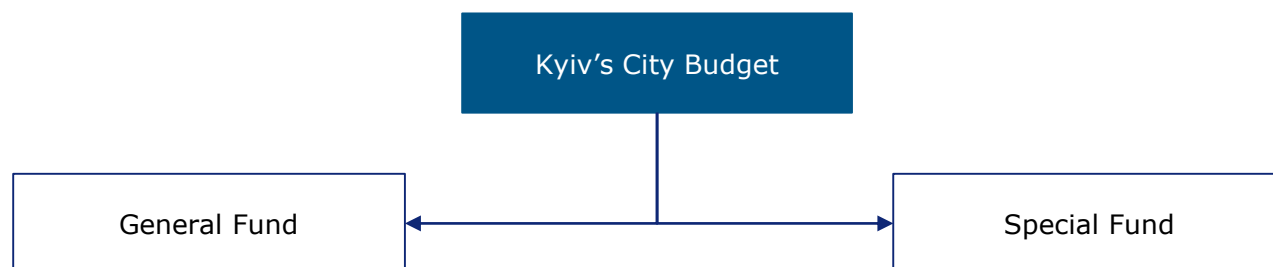
The Budget Code of Ukraine sets the legal framework of underlying principles, policies regarding the budgeting process, and relationships between the government budget and local budgets.

Kyiv's City budget comprises line items at the following levels:

- Municipal (the KCSA and the Kyiv City Council departments and units);
- 10 districts (Holosiivskyi, Darnytskyi, Desnianskyi, Dniprovskyi, Obolonskyi, Pecherskyi, Podilskyi, Sviatoshynskyi, Solomianskyi, and Shevchenkivskyi).

Kyiv's city budget structure

Kyiv's City budget is comprised of General and Special Funds. The parts of the budget are determined exclusively according to the Budget Code of Ukraine and the Law of Ukraine "On the State Budget of Ukraine" for the respective year.



- Revenues collected from the General Fund sources are allocated to the centralized revenue pool. Revenues are not allocated for special purposes;
- Operating expenses (payroll, utilities, etc.) of the budget and municipal entities are funded from this pool;
- Deficit of the General Fund is covered from excess cash available at the end of the previous budgeting period;
- Surplus of the General Fund is allocated to the development budget, repayment of outstanding borrowings, and maintenance of the acceptable balance of budget funds at the level predetermined by the plan.
- The Special Fund revenues are tied to specific expenses or purposes;
- The Special Fund is comprised of the following sections:
 - Development budget (for capital expenditures and major overhauls);
 - Special purpose fund (special purpose programs, such as capital expenditure, repayment of municipal debt, creation of the City's parks and green zones, provision of urban amenities, etc.);
 - Environment protection fund (environment programs) and others.
- Capital expenditures are funded from the Special Fund only;
- Deficit of the Special Fund is covered by municipal borrowing raised to the development budget, General Fund's cash, disposal of securities and cash balances of the Fund, other than other revenues generated by budget entities;
- Surplus of the Special Fund is allocated to repayment of municipal debt and/or acquisition of securities.

Non-budget funds are not permitted under the Budget Code of Ukraine for Kyiv's local governance bodies.



Budget Owners of the City of Kyiv

Budget funds are allocated to budget owners in order to fund the programs and events which are to be covered from the budget.

- Only legal entities with a status of budget entity may act as budget owners, i.e. entities established by Kyiv's local governance bodies that are fully financed from the municipal budget.
- Budget owners obtain budget allocations, spend them on budget expense line items, and incur budget liabilities.
- Budget owners are comprised of primary budget owners and lower level (Level 2 and Level 3) budget owners.

In 2016, total number of budget owners amounted to 456 budget entities, including 37 primary budget owners, 69 Level 2 budget owners, and 353 Level 3 budget owners.

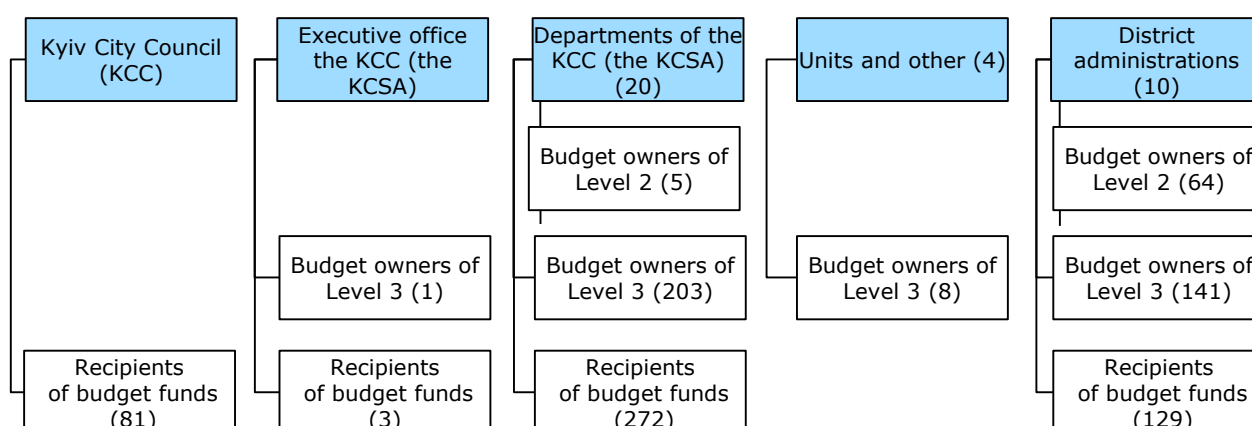
Budget owners may authorize the recipients of budget funds to perform activities within a budget program and disburse budget funds (on returnable basis or non-returnable) within the limits of the respective budget appropriations:

- Beneficiaries of budget funds use such funds on the basis of a budget spending plan.
- Beneficiaries of budget funds include municipal entities, as well as public and other entities that are not classified as budget entities.

In 2017, total number of budget fund beneficiaries consisted of 547 entities.

Structure of entities and organizations funded from the Kyiv's City budget

Key budget owners¹



¹ Some entities/organizations are recipients of budget funds from multiple budget owners.














Inter-Budget Relations and Inter-Budget Transfers

Kyiv's authorities are responsible for a significant part of social expenditures of the city of Kyiv.

The State of Ukraine is responsible for execution of expenditures on the national scale, including expenditures for national defense, law enforcement, and international relations. The executive body of Kyiv City State Administration is responsible mainly for social expenditures.

Main groups of expenditures allocated in the budget of Kyiv's city, include:

-  Education;
-  Health care;
-  Social security and social care;
-  Culture and arts;
-  Housing and public infrastructure management;
-  Transport and road facilities;
-  Construction, including construction of housing for special categories of citizens;
-  Physical culture and sports;
-  Media;
-  Environmental protection and ecology programs;
-  Water rescue.

Personal income taxes constitute the key source of revenues of Kyiv's City budget.

- 50% of personal income taxes was paid to the Kyiv's City budget before 31 December 2014, with the other 50% paid to the State Budget of Ukraine;
- Starting from 1 January 2015, only 40% of personal income tax is to be paid to the Kyiv's city budget, while the 60% is collected into the State Budget of Ukraine.

According to the Budget Code of Ukraine, local authorities may receive the full amount of revenues collected within the jurisdiction of local governance bodies, including the full amount of property tax, single tax, licensing fees, and corporate profit taxes (CPT) from municipal entities.

The Budget Code of Ukraine provides for inter-budget transfers in the form of :

- Equalization subsidies that are peculiarity of the Ukrainian budget system. The government supports local budgets of some Ukrainian regions and cities when the expected revenues are not sufficient to finance all the expenditures required in a given fiscal year;
- Subventions from the State Budget that are provided directly to a local budget for strictly pre-determined purposes and based on pre-determined conditions.

In addition, according to the Law of Ukraine "On the Hero City of Kyiv, the Capital of Ukraine", the Government is required to:

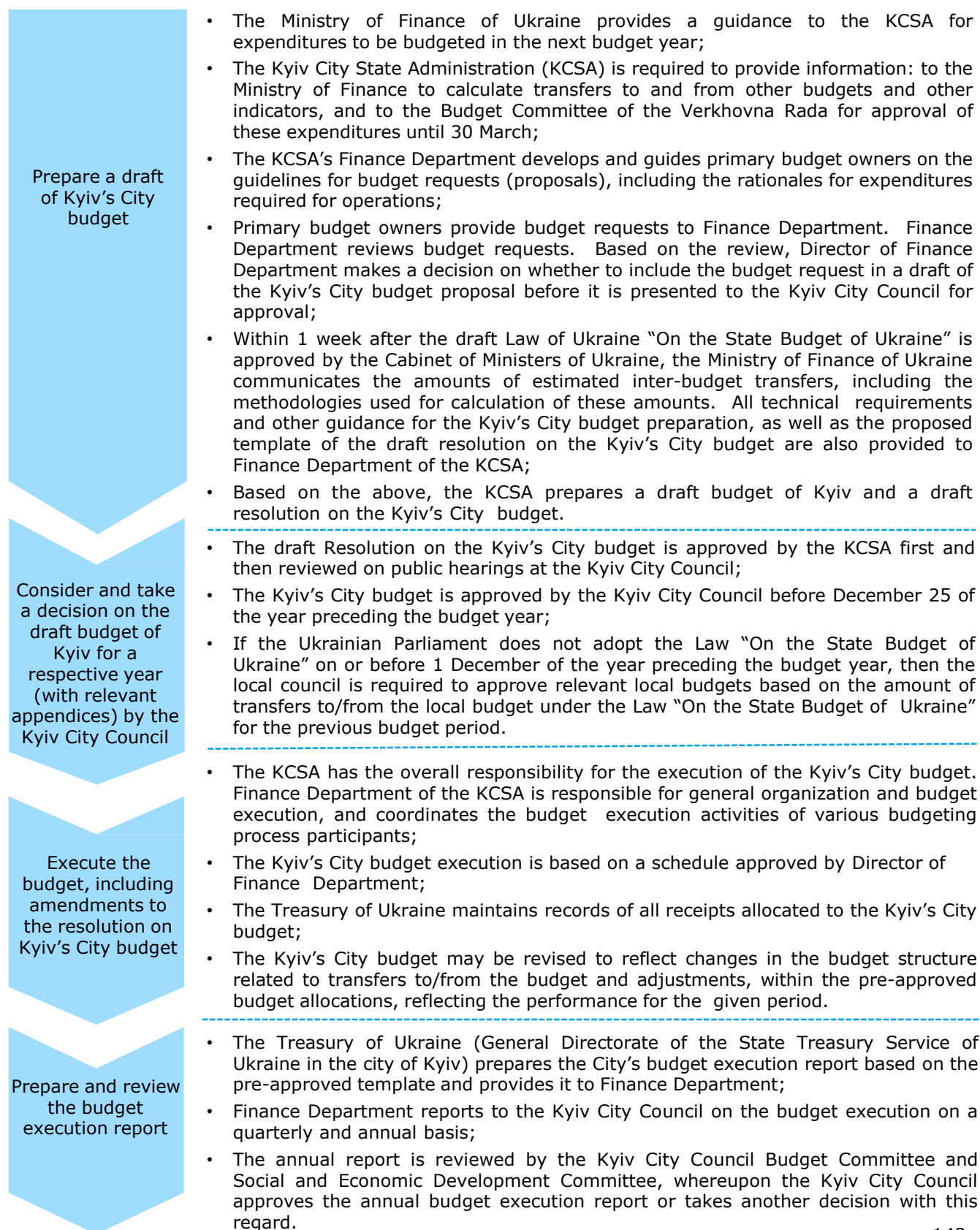
- Cover specific expenses incurred by the city of Kyiv related to functions of the capital of Ukraine;
- Provide subventions and allocate resources required for implementation of the programs and projects needed for execution of functions of the capital of Ukraine.



Budget Process

The framework for Kyiv's City budget process is defined in the Constitution of Ukraine, the Budget Code of Ukraine, the Law of Ukraine "On the State Budget of Ukraine" for the respective year, resolutions of the Kyiv City Council "On the Kyiv City Budget" for the respective year, and other laws and regulations.

Stages of the budget process include:



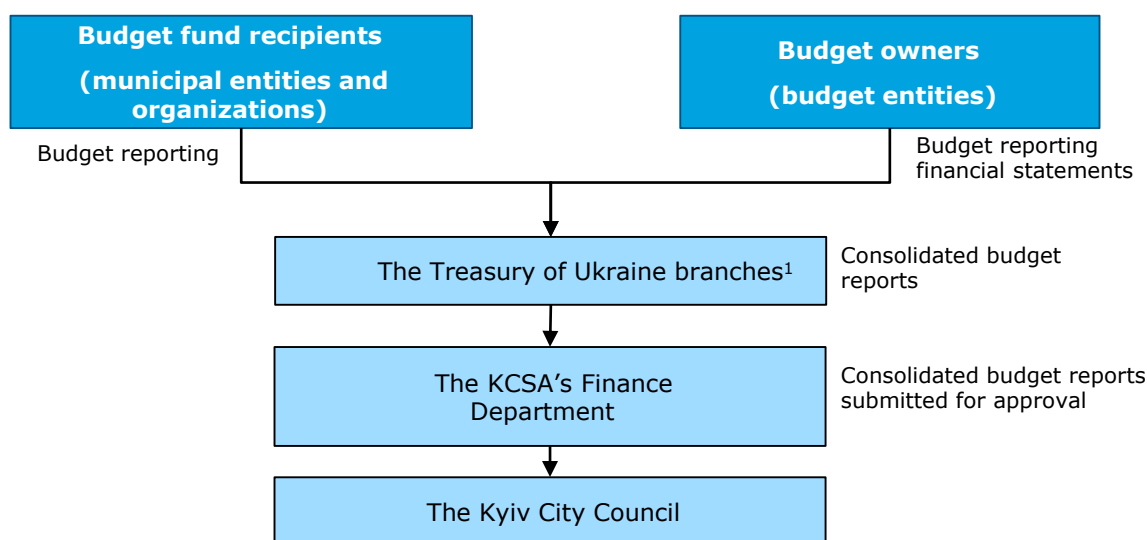


City's Budget Performance Reporting

Under Articles 58 and 80 of the Budget Code of Ukraine, budget execution reporting is comprised of financial statements and budget reports:

- Consolidated budget reports show the Kyiv's City budget execution status, provide information by budget line items, and are prepared by the Treasury of Ukraine and presented to the KCSA's Finance Department;
- Financial statements are prepared in accordance with Ukrainian Accounting Standards and other regulations issued by the Ministry of Finance of Ukraine.

In 2015, the special purpose consolidated financial information of Kyiv for 2014 was prepared and published for the first time. The special purpose consolidated financial information was published in 2015, 2016, 2017. Total number of municipal entities owned by Kyiv City as of 1 January 2017 amounted to 1,901 legal entities. The consolidated financial information included accounting records on all legal entities. The consolidated financial information is published in this Report on pages 204-259.



¹ Budget owners and recipients report to their local Treasury of Ukraine offices (the General Directorate of the State Treasury Service of Ukraine for the City of Kyiv and the Kyiv's city district Treasury offices). The General Directorate of the State Treasury Service of Ukraine for the City of Kyiv prepares the Kyiv's City budget execution report and provides it to Finance Department.

Reporting of the Kyiv's City budget beneficiaries

According to Order # 44 dated 24 January 2012 issued by the Ministry of Finance of Ukraine, budget owners are required to prepare quarterly and annual financial statements; and monthly, quarterly, and annual budget reports and submit them to their local Treasury of Ukraine branches (General Directorate of the State Treasury Service of Ukraine for the City of Kyiv and Kyiv's city district offices).

Beneficiaries (including municipal entities) are required to prepare budget reports only and submit them to their Treasury offices and higher level budget owners on a quarterly and annual basis (with monthly reporting only required for the Treasury offices).

Budget recipients (including municipal entities) are not required to submit their financial statements to their Treasury offices or higher level budget owners.

Budgeting process in 2017

The 2017 Kyiv's City budget, including budget programs, was approved by Resolution of the Kyiv City Council # 544/1558 dated 12 December 2016 "On the Kyiv City Budget for 2017" (as subsequently amended and complemented according to Resolutions of the Kyiv City Council # 836/1840 dated 9 February 2017, # 289/2511 dated 25 April 2017, # 416/2638 dated 25 May 2017, # 161/3168 dated 26 September 2017, # 494/3501 dated 21 November 2017, # 705/3712 dated 20 December 2017).



6.2. Main Indicators of Kyiv's City Budget Execution



Main Indicators of Kyiv's City Budget Execution in 2017

Budget revenues [UAH million]

Indicator	Approved by City Council for operating year ¹		Actual as at 31.12.2017	Plan execution, %	Actual as at 31.12.2016	Abs change (2017-2016)	YoY change 2016/2015, %
	Plan 2017						
Revenues of general fund							
Tax proceeds, including:	28,621	28,621	29,021	101%	24,090	4,931	20%
Corporate and personal income taxes, and capital gains taxes	17,362	17,362	17,654	102%	14,017	3,637	26%
Rents and fees for the use of natural resources	51	51	51	100%	53	-2	-4%
Excise taxes	1,660	1,660	1,566	94%	1,366	200	15%
Local taxes and charges	9,548	9,548	9,726	102%	8,654	1,072	12%
Other taxes	-	-	24	-	0.0	24	n.a.
Non-tax revenues, including:	868	868	936	108%	615	321	52%
Revenues from property and entrepreneurial activities	27	27	28	104%	48	-20	-42%
Administrative fees and charges	538	538	605	112%	533	72	14%
Other proceeds	303	303	303	100%	34	269	791%
Revenues from operations with capital	1	1	2	200%	4	-2	-50%
Subventions and subsidies	13,211	13,211	13,047	99%	9,419	3,628	39%
Total revenues of general fund	42,701	42,701	43,006	101%	34,128	8,878	26%
Revenues of special fund							
Tax proceeds	873	873	1,101	126%	641	460	72%
Non-tax proceeds	1,260	3,154	3,481	110%	3,489	-8	0%
Proceeds from capital transactions	230	230	172	75%	129	43	33%
Special purpose funds established by local government authorities	266	266	291	109%	300	-9	-3%
Subventions	714	714	714	100%	-	714	-
Total revenues of special fund	3,343	5,237	5,759	110%	4,559	1,200	26%
TOTAL REVENUES	46,044	47,938	48,765	102%	38,687	10,078	26%

¹ Approved by the Kyiv City Council for 2017, with reference to recent changes and complements introduced by Resolution of the Kyiv City Council # 554/1558 dated 12 December 2016, with reference to recent changes under Resolution # 705/3712 dated 20 December 2017.
Source: KCSA



Main Indicators of Kyiv's City Budget Execution in 2017 (continued)

Budget expenditures [UAH million]

Indicator	Approved by City Council for operating year ¹	Plan 2017	Actual as at 31.12.2017	Plan execution, %	Actual as at 31.12.2016	Abs change (2017-2016)	YoY change 2016/2015, %
EXPENDITURES general and special fund together							
Education	11,653	12,207	11,539	95%	8,053	3,486	43%
Health care	8,525	9,540	9,330	98%	7,640	1,690	22%
Social care and social security	7,957	8,013	7,858	98%	4,648	3,210	69%
Transport, road facilities, communication, telecommunications, and information systems	7,626	7,626	7,276	95%	2,553	4,723	185%
Construction	4,630	4,631	4,364	94%	3,642	722	20%
Housing and utilities	3,563	3,563	3,259	91%	2,598	661	25%
Public administration	1,370	1,647	1,592	97%	1,192	400	34%
Culture and art	1,411	1,503	1,459	97%	1,266	193	15%
Other services related to economic activities ²	1,421	1,421	1,362	96%	710	652	92%
Physical culture and sports	447	459	433	94%	301	132	44%
Special-purpose funds	379	379	351	93%	313	38	12%
Expenditures not included into major groups	397	397	309	78%	179	130	73%
Mass media	61	61	61	100%	37	24	65%
Agriculture and forestry, fishery and hunting	29	29	27	93%	29	-2	-7%
Prevention and liquidation of emergencies and consequences of natural disasters	22	22	22	100%	10	12	120%
Debt service	38	38	15	39%	281	-266	-95%
Lending	-2	-2	-2	100%	-3	1	-33%
Inter-budget transfers	270	270	266	99%	124	142	115%
TOTAL EXPENDITURES (general and special fund together)	49,797	51,804	49,521	96%	33,573	15,948	48%
Deficit / Surplus	-3,753	-3,866	-756	20%	5,114	-5,870	-115%
% from budget revenues	-8.2%	-8.1%	-1.5%	19%	13.2%		
Budget financing	3,753	3,753	756	20%	-5,114	5,870	-115%
Financing of credit operations	-	-	-	-	-2,864	2,864	-100%
Cash flows from debt financing	-	-	-	-	-	-	-
Repayment of debt	-	-	-	-	-2,864	2,864	-100%
Financing of assets' operations	3,753	3,753	756	20%	-2,250	3,006	-134%
Changes in budget funds	3,753	3,753	756	20%	-2,250	3,006	-134%
Financing from single treasury account	-	-	-	-	-	-	-
Budget funds (period-end)	-	-	3,267	-	4,023	-757	-19%
Debt (period-end) ³	n.a.	n.a.	2,839	-	2,750	89	3%
Municipal guaranteed debt (period-end) ⁴	n.a.	n.a.	1,791	-	1,881	-90	-5%

¹ Approved by the Kyiv City Council for 2017, with reference to recent changes and complements introduced by Resolution of the Kyiv City Council # 554/1558 dated 12 December 2016, with reference to recent changes under Resolution # 705/3712 dated 20 December 2017.

² Include the Kyiv's City budget funds and those of budget institutions.

³ Debt of the city of Kyiv recalculated to the national currency according to the official UAH/USD, UAH/EUR exchange rates of the NBU at the following dates: 31 December 2015 and 31 December 2016.

⁴ Guaranteed by the city of Kyiv debt of municipal entities of the territorial community of Kyiv recalculated to the national currency according to the official UAH/USD, UAH/EUR exchange rates of the NBU at the following dates: 31 December 2016 and 31 December 2017.

Source: KCSA

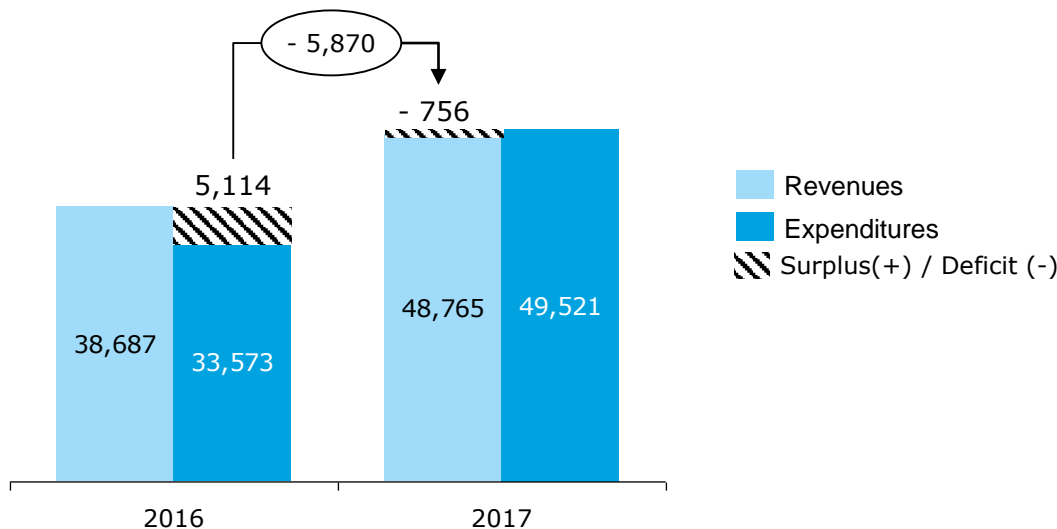


Summary of Kyiv's City Budget Execution

In 2017, there was a slight deficit in the budget – UAH 756 million.

Key drivers for the growth in budget revenues were increased proceeds from personal income taxes, land taxes, and other property taxes. The growth in expenditures compared to the prior year related to the increased expenditures on transport, road facilities, communication, telecommunication and information systems, education, social security and social welfare, to a lesser extent, to health care and construction. A detailed analysis of factors effecting the budget execution is provided in this Section.

Summary of Kyiv's City budget execution [UAH million]



Resolution of the Kyiv City Council # 554/1558 dated 12 December 2016, with reference to all amendments and complements of the Law "On the Budget of the City of Kyiv for 2017" approved:

- Surplus of the General Fund in the amount of UAH 9.7 million;
- Deficit of the Special Fund in the amount of UAH 13.4 million.

Kyiv's budget was fulfilled:

- Surplus of the General Fund amounted to UAH 11.1 million;
- Deficit of the Special Fund amounted to UAH 11.9 million.

In total, Kyiv's City budget was accepted with deficit in the amount of UAH 3,866 million and fulfilled with deficit in the amount of UAH 756 million.

Key reasons for achieving a lower deficit than the planned one include:

- Over-fulfilled tax proceeds of the General and Special Funds by UAH 629 million;
- Over-fulfilled non-tax proceeds by UAH 395 million;
- Under-fulfilled plan in respect of expenditures by UAH 2,283 million or by 7.8%.

Budget Funding

In 2017, no repayments and repurchases of domestic local loan bonds were performed due to operations on their repayment in 2015 and 2016.

As of 31 December 2017, external debt obligations amounted to USD 101 million (the equivalent of UAH 2.8 billion).

Internal borrowing obligations to the Ministry of Finance of Ukraine that arose due to restructuring Eurobonds in 2015 amounted to USD 351 million (the equivalent of UAH 9,853 million) and the Treasury of Ukraine under the interest-free borrowing in the amounts of non-fulfillment of estimated volumes of budget's revenue basket before 2013 – UAH 3,688 million.

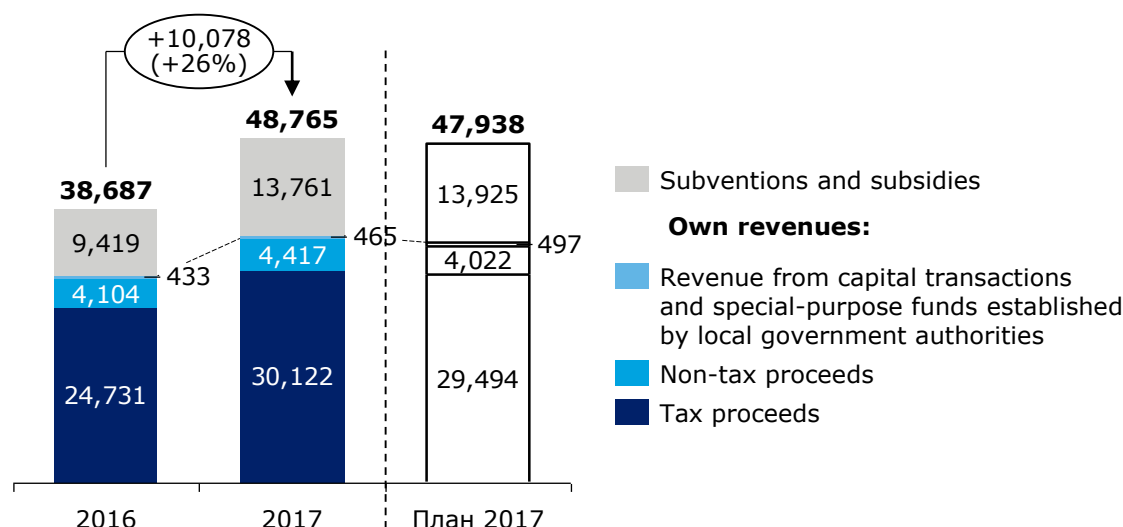
In 2016, to save expenses on servicing the debt, domestic local loan bonds of the Kyiv City Council Series H in the total nominal value of UAH 2,375.0 million were early repurchased, including UAH 948.7 million in 2016, and the early repurchase of domestic local loan bonds of the Kyiv City Council Series G in the total nominal value of UAH 1,915 million was performed.

In 2015, domestic local loan bonds Series F in the amount of UAH 875 million were repaid, and domestic local loan bonds Series H (private placement) in the amount of UAH 1,426 million were partially repurchased.



Summary of Kyiv's City Budget Execution (continued)

Kyiv's City budget revenues by sources [UAH million]



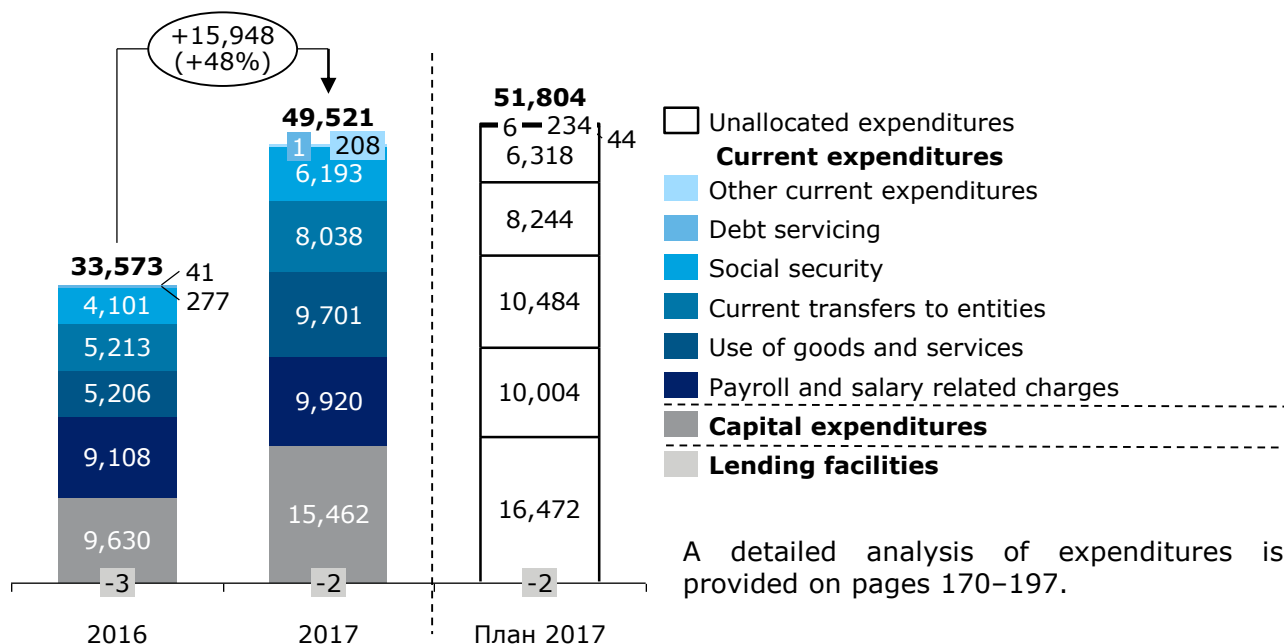
Main growth in tax proceeds in 2017 was due to:

- Corporate income taxes and personal income taxes (50% of municipal revenues) that grew by UAH 3,636 million to UAH 17,654 million;
- Local taxes and charges (28% of revenues) that grew by UAH 1,073 million to UAH 9,726 million mostly driven by single taxes and property taxes.

An increase in non-tax proceeds was mainly caused by proceeds from interest participation in the development of the City's infrastructure.

The major part of subsidies and subventions (UAH 7,307 million) referred to subventions on education and health care.

Kyiv's City budget expenditures by types of expenditure [UAH million]



A detailed analysis of expenditures is provided on pages 170–197.

In terms of sectors, most growth in expenditures was achieved in the following:

- Transport, communication, and information services (by UAH 4,723 million to UAH 7,276 million);
- Education (by UAH 3,486 million to UAH 11,539 million);
- Social security and care (by 3,209 million to 7,858 million).

At the same time, expenditures on debt servicing decreased (by UAH 266 million).

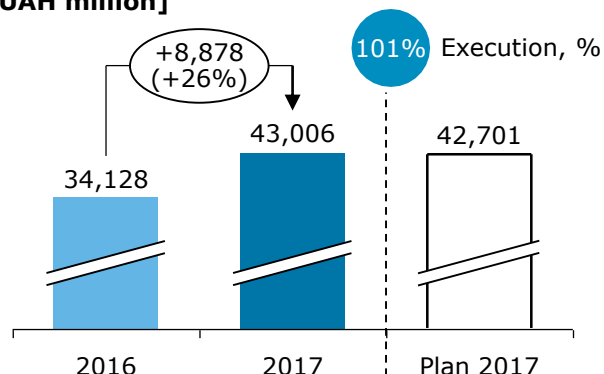


6.3. Budget Revenues of the City of Kyiv

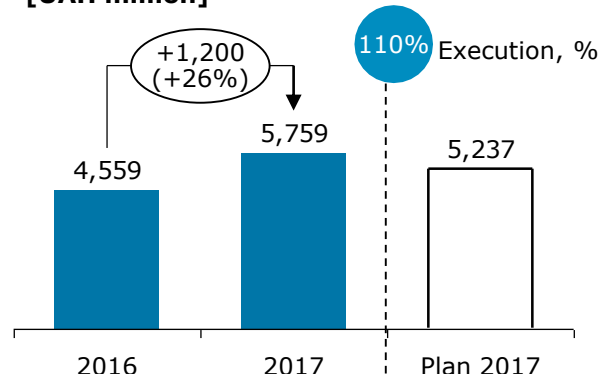


Budget Revenues of the City of Kyiv

Revenues of Kyiv's City General Fund [UAH million]



Revenues of Kyiv's City Special Fund [UAH million]



Increase in revenues of Kyiv's City General Fund by UAH 8,878 million (or by 26%) compared to 2016 was a key factor giving rise to the revenue growth of Kyiv's City budget by UAH 10,078 million in 2017.

An increase in the General Fund's revenues was mainly driven by higher proceeds from personal income taxes, which grew from UAH 11,085 million to UAH 14,628 million.

A detailed analysis of the General Fund's revenues is presented on the next page.

The General Fund's revenue plan was exceeded by 0.8% or by UAH 305 million, mainly due to the over-fulfilled plan on tax proceeds by 1% or by UAH 400 million, which compensated the under-fulfilled plan by 1% in respect of subventions and subsidies (-UAH 164 million).

Increase in revenues of Kyiv's City Special Fund by UAH 1,200 million (or by 26%) was mainly caused by proceeds from subventions in the amount of UAH 714 million to repay the difference between actual value of housing and public utility services and tariffs approved and/or agreed by government authorities or local government bodies (UAH 651 million) and to undertake measures on social and economic development of certain territories (UAH 62 million), as well as growth in tax proceeds by 72% (+ UAH 460 million).

Non-tax proceeds of the Special Fund significantly decreased – by UAH 8 million largely due to the lower revaluation amounts on assets of budget institution as compared to 2016.

A detailed analysis of the Special Fund's revenues is presented on pages 164-165.

The Special Fund's revenue plan was exceeded by 10% or by UAH 522 million mainly due to the excess in non-tax proceeds by 10% or by UAH 327 million, which compensated the under-performance on revenues from capital transactions by 25% or by UAH 58 million.

Kyiv's City revenues [UAH million]

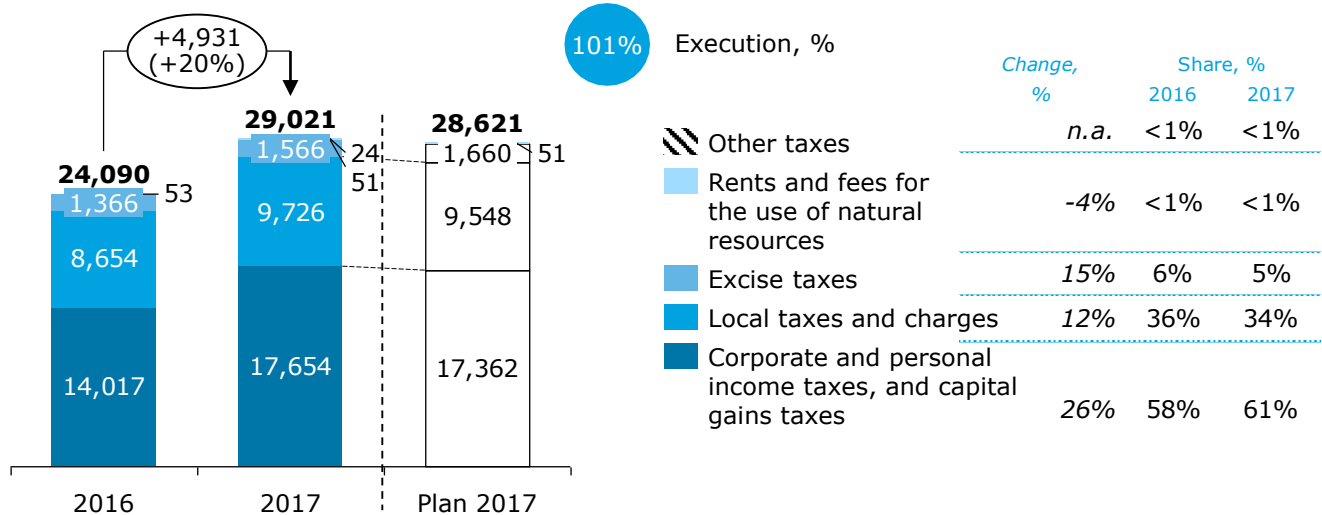
	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Special fund							
Special-purpose funds established by local government authorities	300	291	-3%	<1%	<1%	266	110%
Revenues from capital transactions	129	172	33%	<1%	<1%	230	75%
Non-tax proceeds	3,489	3,481	0%	9%	7%	3,154	110%
Tax proceeds	641	1,101	72%	2%	2%	873	126%
Subventions	-	714	n.a.	<1%	1%	714	100%
General fund							
Subventions and subsidies	9,419	13,047	39%	24%	27%	13,211	99%
Revenues from capital transactions	4	2	-50%	<1%	<1%	1	151%
Non-tax proceeds	615	936	52%	2%	2%	868	108%
Tax proceeds	24,090	29,021	20%	62%	60%	28,621	101%
Total	38,687	48,765	26%	100%	100%	47,938	102%



General Fund's Revenues of the Budget

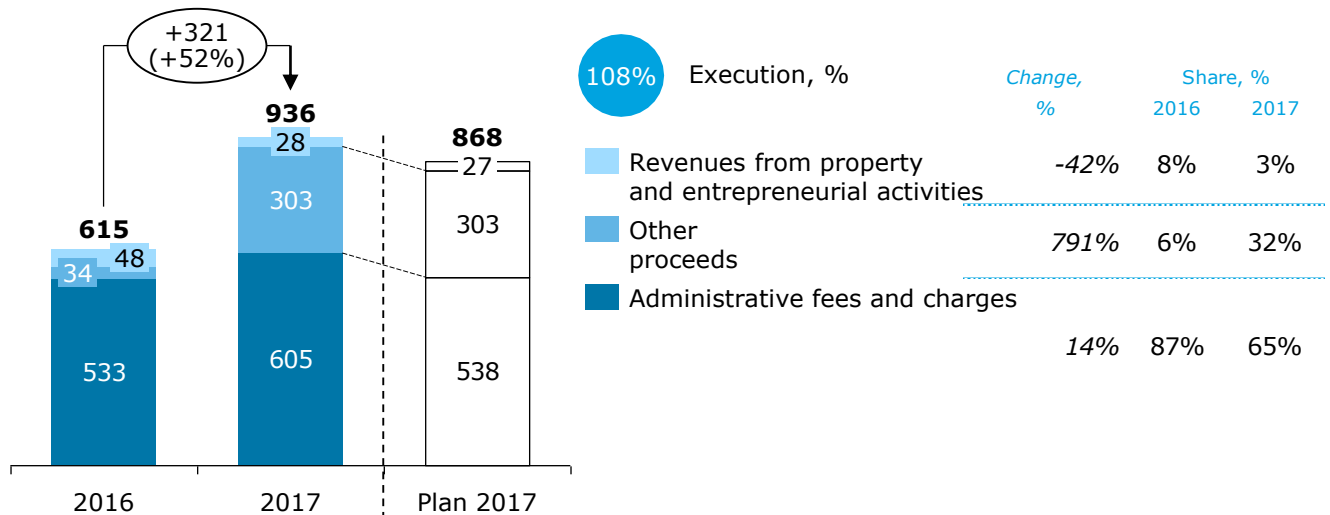
A growth of the 2017 General Fund's revenues was driven by the increase in corporate and personal income taxes by 26% (+ UAH 3,637 million) mainly due to the growth in proceeds from personal income taxes by 32% (+ UAH 3,543 million).

Tax proceeds of the General Fund [UAH million]



A detailed analysis of the General Fund's tax proceed components is presented on pages 154–162.

Non-tax proceeds of the General Fund [UAH million]



A detailed analysis of the General Fund's non-tax proceed components is presented on page 163.

Subventions and subsidies

In 2017, an increase in the proceeds from subventions and subsidies was caused by the increased subventions from the state budget to provide benefits and housing subsidies to households that grew by 117% (+ UAH 1,709 million).

In 2017, the city's budget received UAH 172 million of subventions, which were not the case in 2016.

At the same time, in 2017, a subvention was not paid from the state budget to the general budget of the city of Kyiv to service debt for borrowings made in 2012, due to the repayment of debts in 2016.

A detailed analysis of subventions and subsidies is presented overleaf.



Transfers from the State Budget of Ukraine to the General Fund by Categories [UAH million]

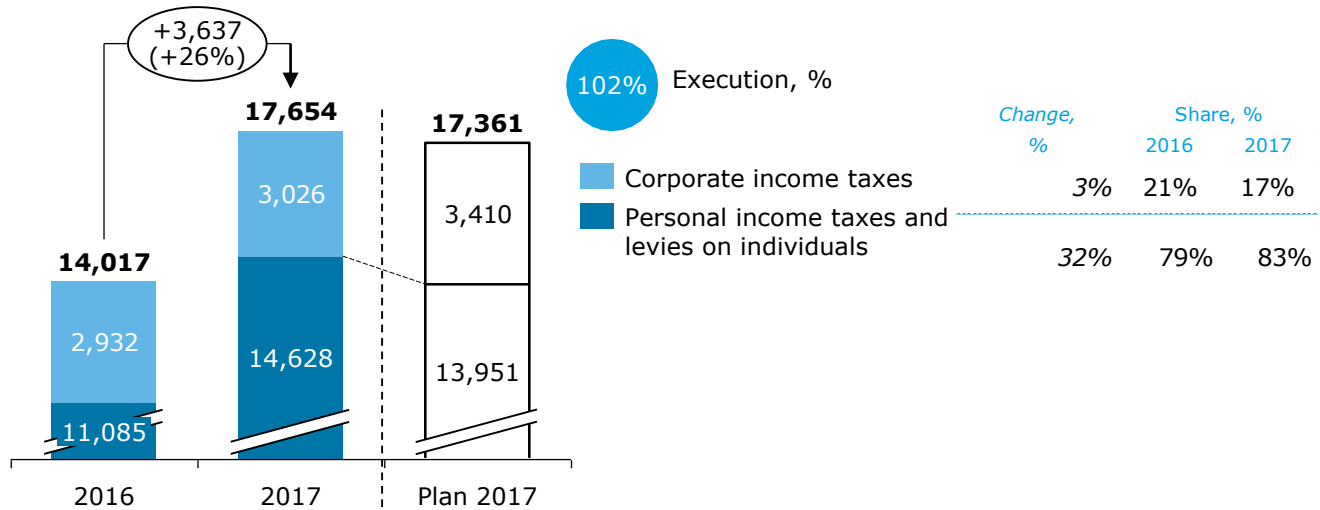
	Actual 2016	Actual 2017	YoY change	Plan 2017	Executio n
Healthcare subvention from the state budget to local budgets	3,206	4,122	29%	4,122	100%
Educational subvention from the state budget to local budgets	2,255	3,185	41%	3,185	100%
Subvention for benefits and housing subsidies provided to households for payment of electricity, natural gas, heat and water supply, water disposal and other housing bills	1,465	3,174	117%	3,174	100%
Subvention for benefits to families with children, low-income households, adults with childhood disabilities, children with disabilities and temporary state aid for children	2,089	2,276	9%	2,329	98%
Subvention for money compensation of construction of housing for families of military killed on duty, the anti-terrorist operation veterans and with I-II degree disabilities	-	89	-	89	100%
Subvention for implementation of activities concerning social and economical development of different regions	68	89	31%	89	100%
Subvention from the state budget to local budgets for the reimbursement of the cost of drugs for the treatment of certain diseases	-	52	-	52	100%
Subvention for carrying out works related to creation and maintenance of functioning of centers of provision of administrative services in the format "Transparent office"	-	18	-	18	100%
Subvention for the governmental social benefits for care of orphans and children deprived of parental care, monetary allowances for foster and adoptive parents	8	11	38%	11	100%
Subvention for purchase of pharmaceuticals and medical devices for ambulance teams	8	10	25%	10	100%
Subvention from the state budget to local budgets to provide state support to people with special educational needs	-	7	-	22	32%
Subvention from the state budget to local budgets for construction / major repair / reconstruction of small group houses, houses of supported residence, construction / purchase of housing for family-type orphanages, social housing for orphan children	-	6	-	8	75%
Additional grant to compensate the local budgets for the loss of revenue resulting from land tax allowances	3	6	100%	6	100%
Subvention for purchases of consumables for healthcare facilities and inhalation anesthesia medications	1.2	1.4	17%	1.4	100%
Subvention for modernization and update of material-technical base of public vocational training professional institutions	0.3	0.6	100%	0.6	100%
Subvention for provision of subsidies to households to compensate purchases of solid and liquid domestic fuel and liquefied gas	0.2	0.2	0%	0.4	50%
The subvention to pay the difference between the actual cost of heat energy, housing and communal services and tariffs, which were approved and / or agreed upon by the state authorities or local self-government	-	-	-	94	-
Subvention for service for the debt of borrowings, made in 2012 into the general fund of the city budget	248	-	-	-	-
Subvention for construction/purchase of housing for families of military killed on duty, the anti-terrorist operation veterans and with I-II degree disabilities	67	-	-	-	-
Total	9,419	13,047	39%	13,211	99%



Tax Proceeds of the General Fund

Personal income taxes and corporate income taxes

Personal income taxes and corporate income taxes [UAH million]



A detailed analysis of the components of personal income taxes and corporate income taxes is available on pages 156-158.

Local taxes and charges

Local taxes and charges [UAH million]



A growth in local taxes and charges is caused by the increase in single taxes by 33% (+UAH 1,014 million). There was a decrease in income from property taxes in respect of transportation tax by 36% (-UAH 21 million), which is caused by the increase in the minimum salary in Ukraine effective from 1 January 2017 by 100% to UAH 3,200 per month.

Also, there was a decrease in inflows from the fees for parking spaces for vehicles by 9% (- UAH 2 million) and, under this fee, planned figures were under-fulfilled by 64% (or UAH 37 million) as a result of the reduced income of ME "Kyivtransparservice".

Starting from 2015, in accordance with Article 265 of the Tax Code of Ukraine, land charges levied in the form of land taxes and rental fees for the land plots of state and municipal ownership make up a component of a part of property taxes and are included in local taxes and charges.



Tax Proceeds of the General Fund (continued)

Excise taxes and rental fees

During 2017, Kyiv's City budget received UAH 1,566 million of excise taxes, which is by 15%, or by UAH 200 million higher than in 2016. This was caused by introduction effective from 1 January 2017 the excise taxes of 13.4% on the fuel manufactured in Ukraine and the excise taxes on the fuel imported to Ukraine in accordance with Para. 43 Section VI of Final and Transitional Provisions of the Budget Code of Ukraine, which increased the proceeds by UAH 658 million.

At the same time, the proceeds from excise taxes on sales by retailers of excisable goods decreased by 34% (-UAH 458 million) due to the cancelled Law of Ukraine # 1791 dated 20 December 2016 "On Amendments to the Tax Code of Ukraine and Certain Legislative Acts of Ukraine on Ensuring the Budget Revenues in 2017" regarding excise taxes from retail sales of petroleum products that had been earlier levied to local budgets.

In 2017, rental fees for the use of other natural resources remained an insignificant source of the City's budget revenues and amounted to 0.2% of tax proceeds of the budget's General Fund.

Other taxes and duties

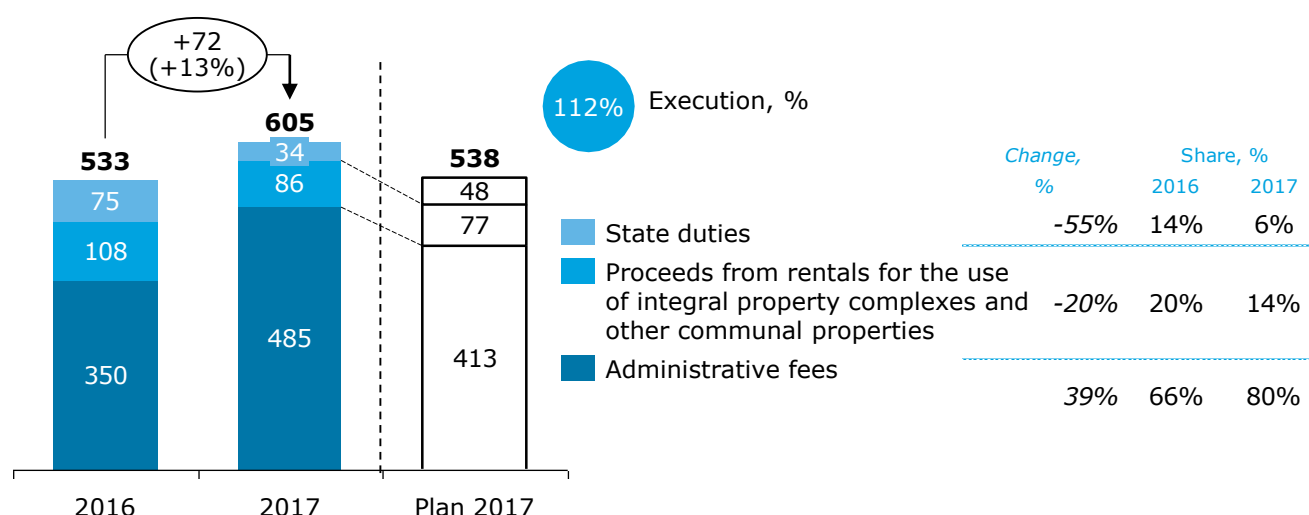
During 2017, Kyiv's City budget received UAH 24 million of taxes included into the category of "Other Tax Proceeds". Last year, Kyiv's City budget received under this item UAH 5.1 thousand. This increase is caused by the received compensations from the General Fund of the state budget to the budgets of local government authorities of a part of excise taxes on the fuel manufactured in Ukraine and imported to the customs territory of Ukraine.

Non-Tax Proceeds of the General Fund

Administrative Fees and Charges

During the reporting period, Kyiv's City budget received UAH 605 million of taxes that were classified as "Proceeds from Administrative Fees". A major factor for the increased proceeds under this category was the growth in payments for administrative services by UAH 135 million (+39%) due to the increased volumes of services on issuing foreign passports the demand for which grew upon the introduced visa-free travel regime to the EU in June 2017.

Proceeds from administrative fees and charges [UAH million]

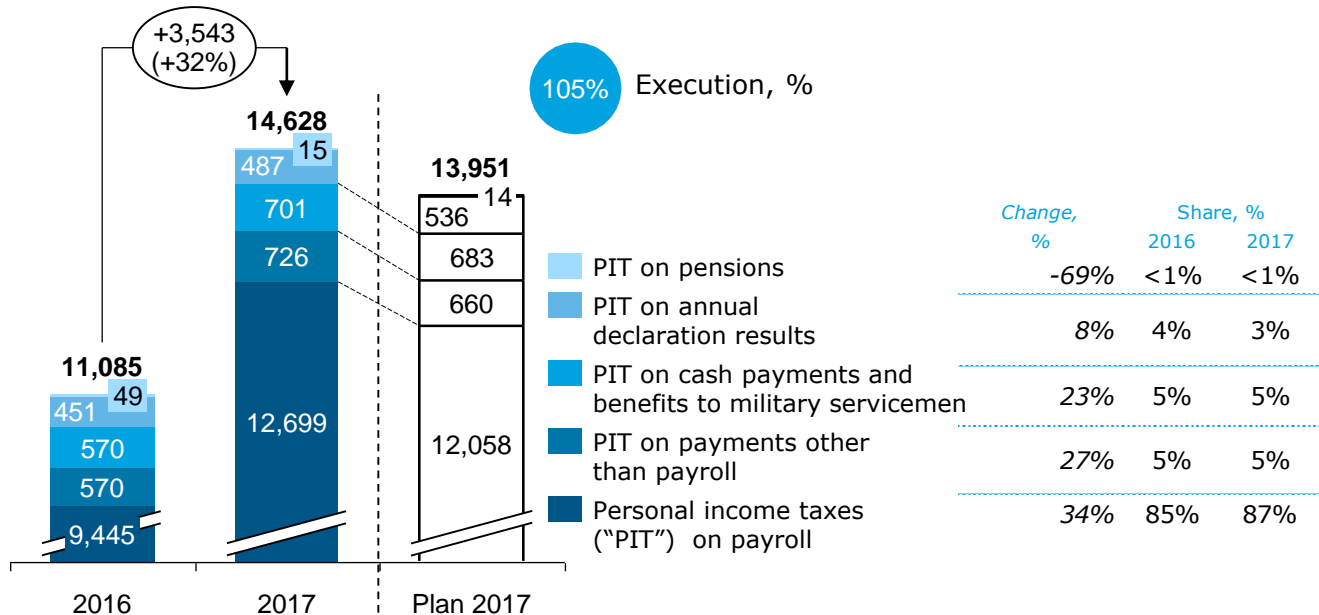


A detailed analysis of administrative fee components is presented on page 163.



Tax Proceeds of the General Fund: Corporate and Personal Income Taxes

Personal income taxes [UAH million]



A key source of revenues to the General Fund of Kyiv's City budget in 2017 were personal income taxes (PIT) and charges the relative of which made up 50% of the General Fund's revenues (net of subventions) of Kyiv's City budget, which was by 4 p.p. more than in the prior year. In 2017, changes in the legislation brought to the increase in minimum salary up to UAH 3,200, which significantly decreased the taxable base and resulted in the growth of tax proceeds.

The main taxes in the structure of PIT are salary related taxes – 87%. Their share increased by 2 p.p. compared to the prior year.

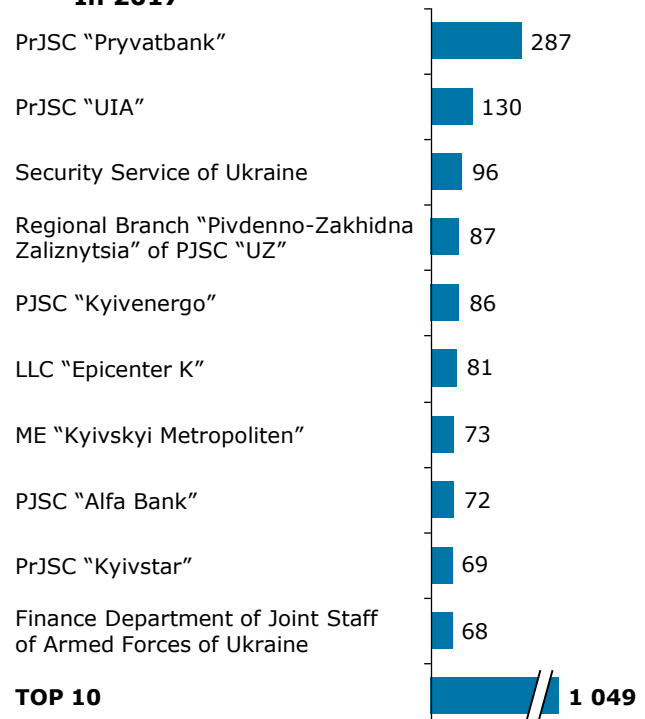
In 2017, proceeds from PIT's salary related taxes grew by UAH 3,254 million. This is explained by the increased amount of minimum salary up to UAH 3,200 per month and growth in average salary.

TOP 10 personal income taxpayers [UAH million]

In 2016



In 2017



Source: KCSA

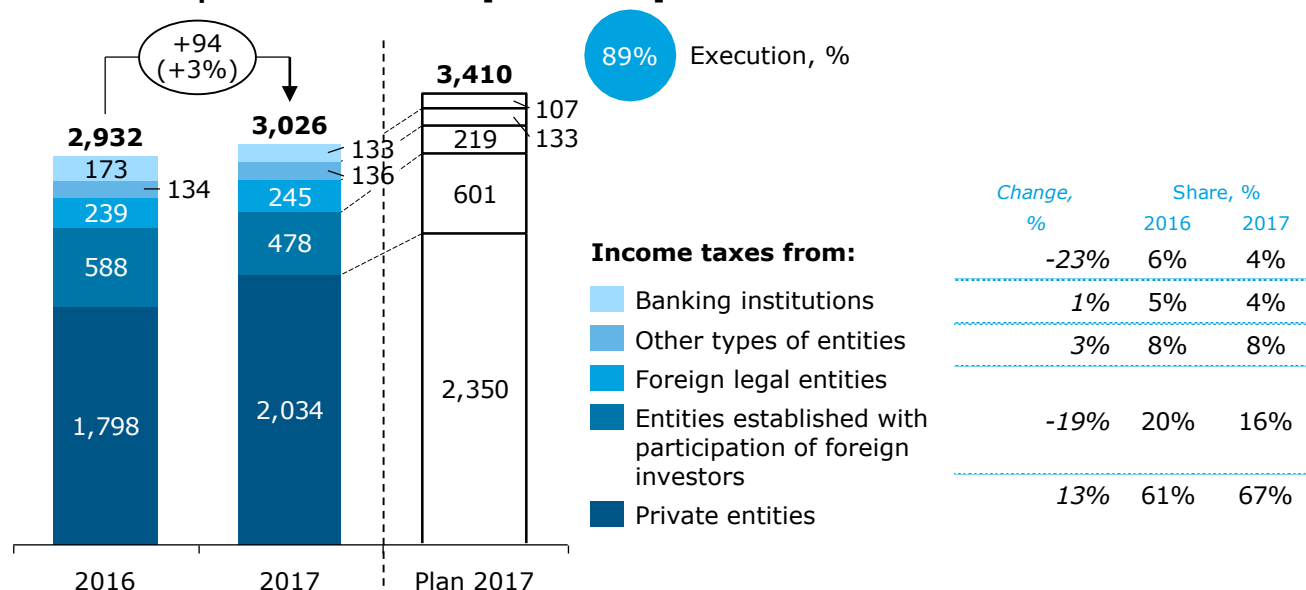


Tax Proceeds of the General Fund: Corporate and Personal Income Taxes (continued)

Growth in corporate income tax proceeds in 2017 was largely a result of the increase in relevant proceeds from private entities by 13% (+ UAH 236 million).

Corporate Income Taxes

Structure of corporate income taxes [UAH million]



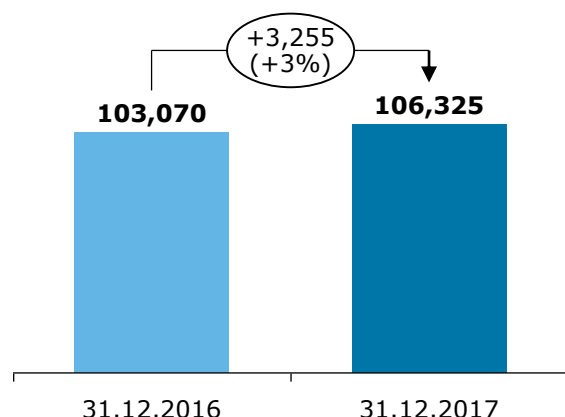
Corporate income taxes received from other entities included income taxes paid by insurance companies and other financial institutions, other than insurance companies, municipal entities and financial institutions, as well as income taxes from consumer cooperation organizations and entities, cooperatives, and public unions.

A key reason for growth in corporate income taxes was the increased proceeds from private entities by 13% (+UAH 236 million). At the same time, the achievement of planned indicators was at the level of 87% (under-fulfilled revenues by the amount of UAH 316 million).

A reason for the under-performed planned figures and losses of the local budget was payment of current income taxes by the entities engaged in rendering services of manufacturing, transporting, and supplying heat energy, centralized water supply and discharge (PJSC "JSC "Kyivvodokanal" in the amount of UAH 9.9 million and PJSC "Ukrgezvydobuvannia" in the amount of UAH 1,454.8 million) due to the enacted Resolution of the CMU # 816 dated 25 October 2017 to the state budget's Special Fund.

Also, in 2017, a decrease was observed in the proceeds from the entities established with participation of of foreign investors by 19% or by UAH 110 million, respectively.

Number of corporate income taxpayers to the local budget

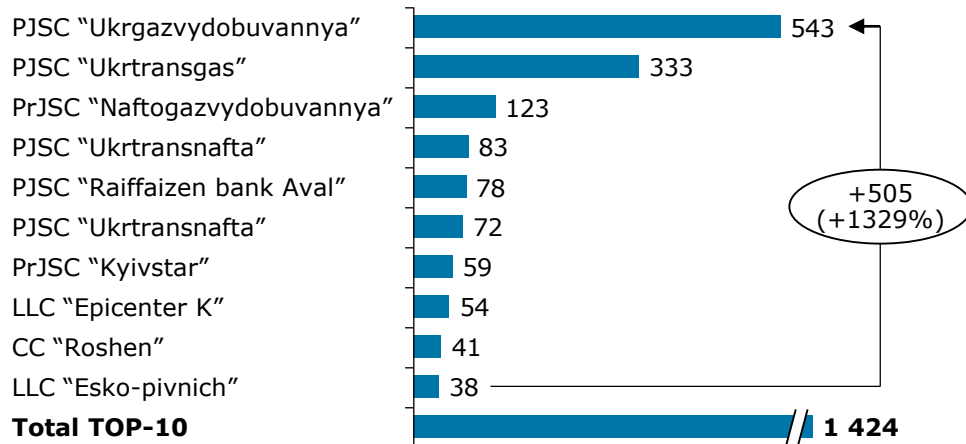




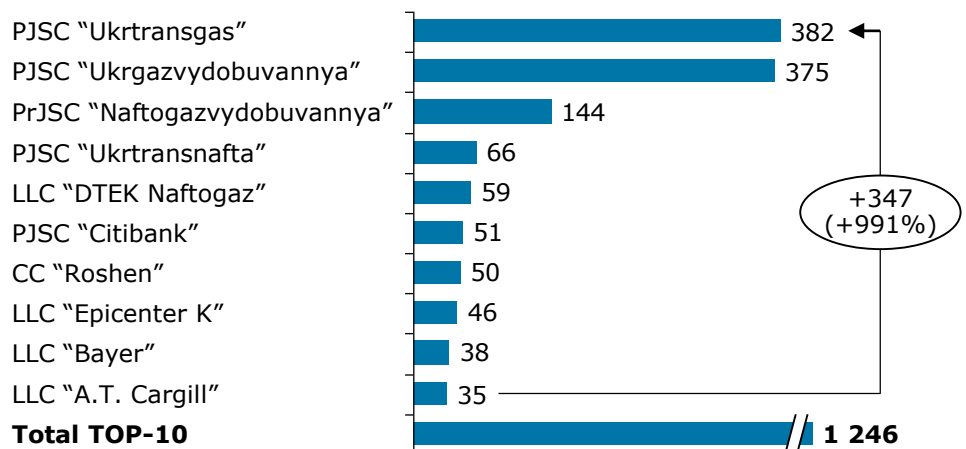
Tax Proceeds of the General Fund: Corporate and Personal Income Taxes (continued)

Corporate Income Taxes

Largest payers of corporate income taxes (TOP 10):
In 2017 [UAH million]



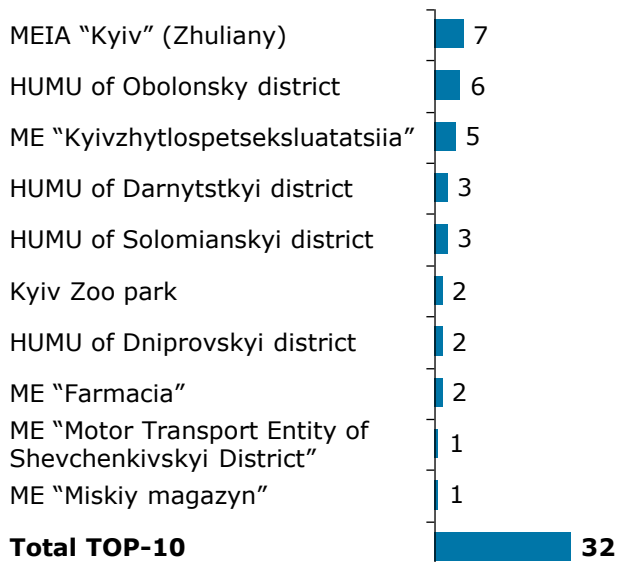
In 2016 [UAH million]



15%

The volume of income tax revenue from the TOP 10 payers increased in 2017

Largest corporate income tax payers among municipal entities [UAH million]
In 2016



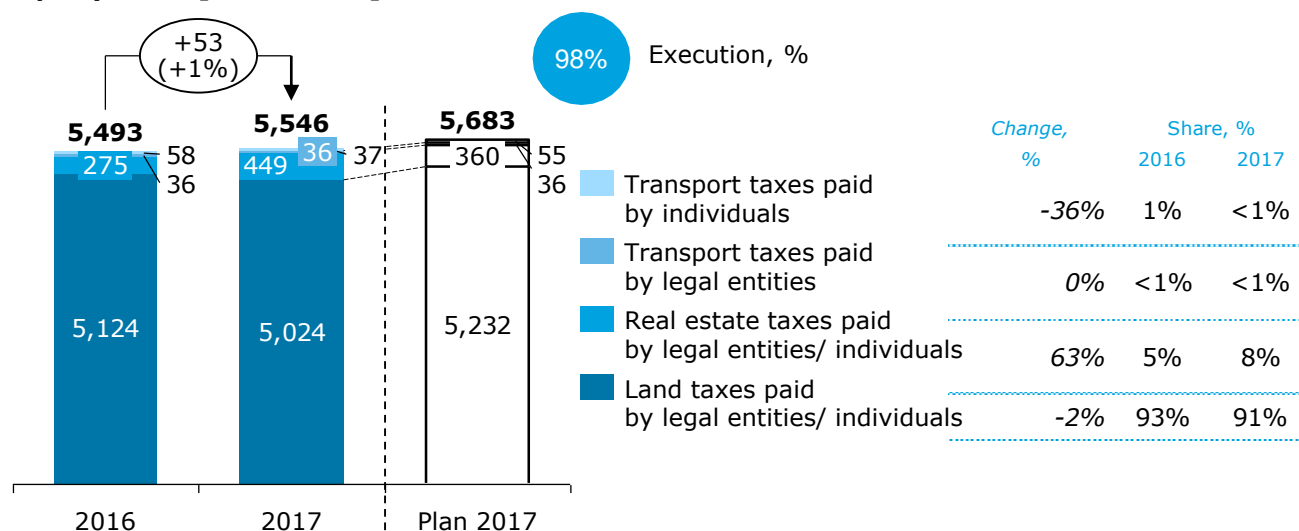
In 2017





Tax Proceeds of the General Fund: Local Taxes and Charges

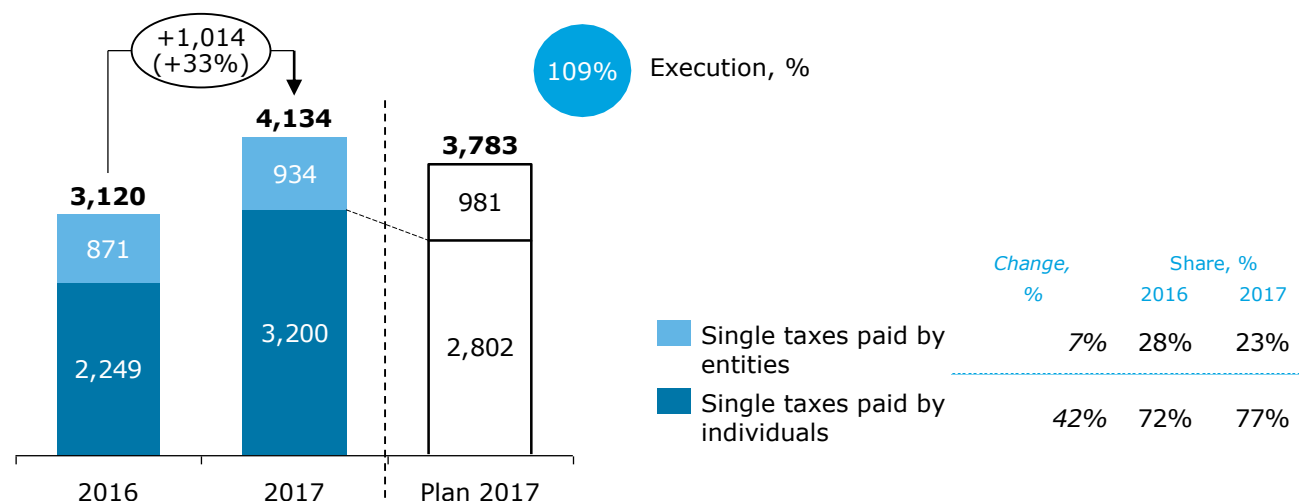
Property taxes [UAH million]



Growth in property taxes is largely attributable to the increase in real estate taxes by 63% (+UAH 174 million) at the cost of expanded taxable base. Such a growth compensated the decrease in land taxes for individuals and legal entities by 2% (- UAH 100 million).

A detailed analysis of land taxes, property taxes, and transport taxes is provided on pages from 160 to 162.

Single taxes [UAH million]



Proceeds from single taxes paid by individuals increased by UAH 951 million (+42%) compared to 2016. Volumes of proceeds from single taxes paid by legal entities increased by UAH 63 million (+7%).

Key reasons for the growth in proceeds from single taxes include the increased data base due to the grown minimum salary amount. Also, the taxable base expanded as a result of the increased number of individual taxpayers by 12% (+14,064 persons) and by 7% for legal entities (+1,615 entities).

Parking charges

In the reporting period, Kyiv's City budget received UAH 21 million of vehicle parking charges, which represented 38% of the planned figure for 2017. Volumes of parking charges decreased due to the reduced revenues of ME "Kyivtransparkservice" as a result of the absence of control and legislative regulation regarding administrative liability for the failure to pay parking charges after non-cash payment was introduced.



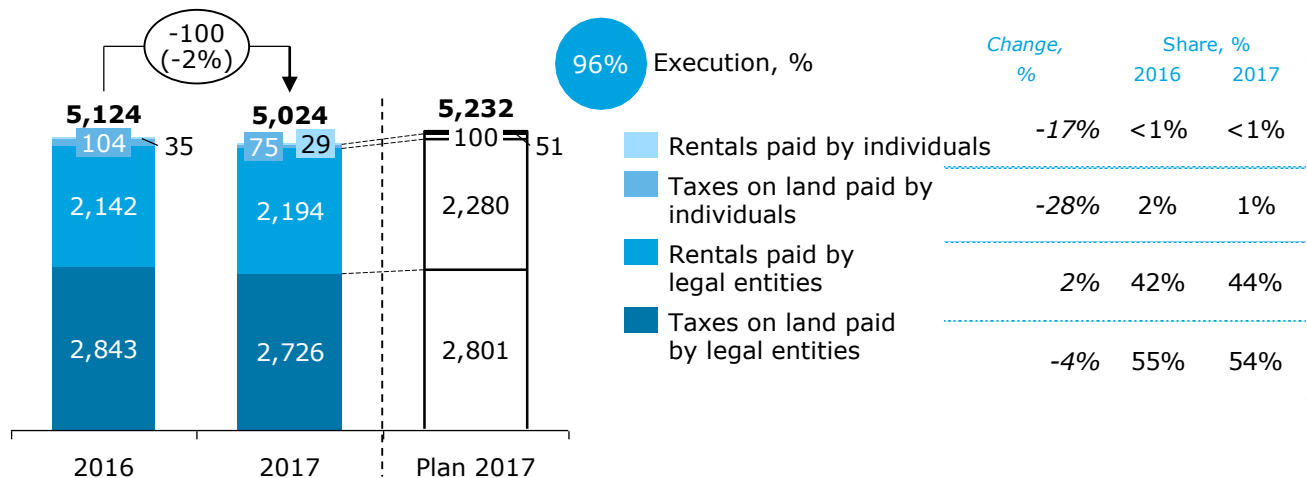
Tax Proceeds of the General Fund: Local Taxes and Charges (continued)

Property taxes: land tax

Land taxes are paid by legal entities and individuals in the form of rental fees for the land plots of state and municipal ownership and taxes on land.

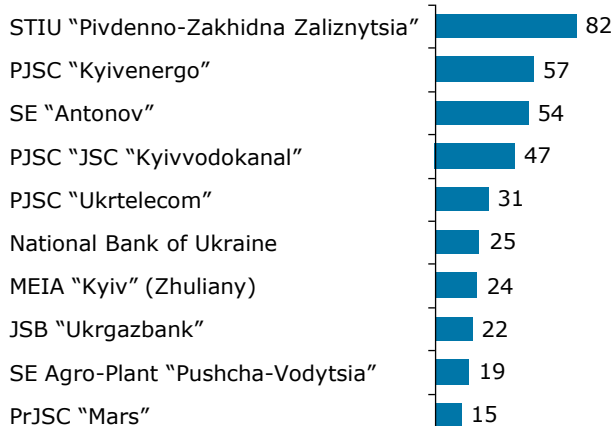
In 2017, volumes of proceeds from rentals for land and taxes on land decreased by 2% (-UAH 100 million) due to the application of legislative regulations reducing the ratio value for the use of land, interest rate used for calculating land taxes, and expansion of the range of legal entities exempt from taxes on.

Proceeds from land taxes [UAH million]



TOP 10 land taxpayers [UAH million]

In 2016

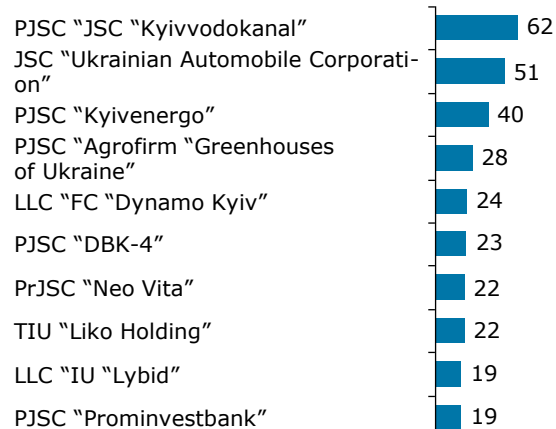


In 2017

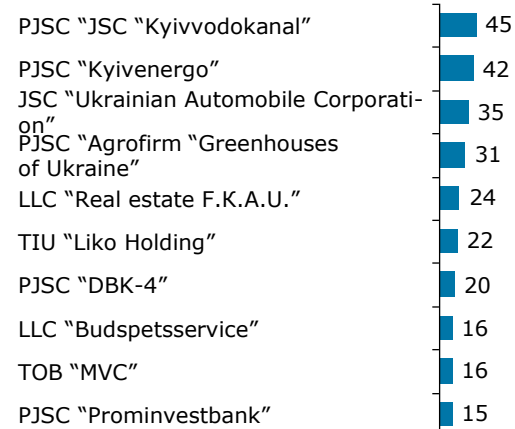


TOP 10 land rental fee payers [UAH million]

In 2016



In 2017





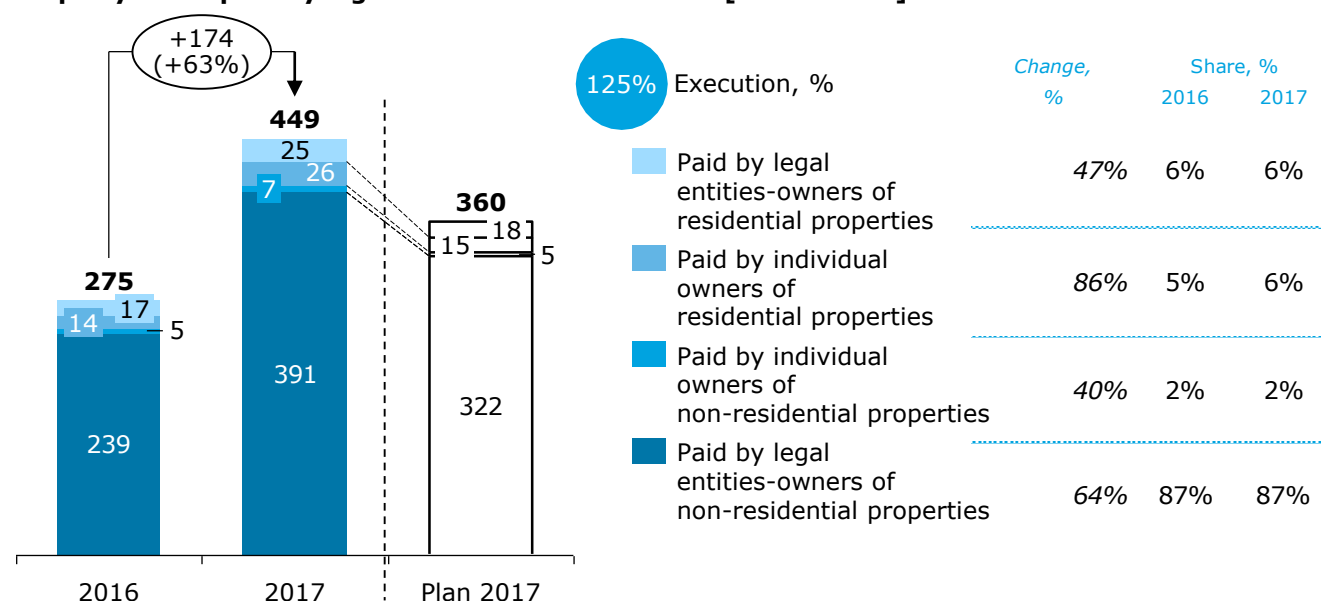
Tax Proceeds of the General Fund: Local Taxes and Charges (continued)

Property taxes: real estate taxes

Taxes on properties, other than land plots, were introduced effective from 1 January 2015. According to Article 266 of the Tax Code of Ukraine, taxpayers of this tax shall be individuals and legal entities, in particular, non-residents, that possess residential and/or non-residential properties.

The Kyiv City Council is entitled to introduce tax rates on residential and/or non-residential properties depending on their location (zone area) and types of property in the amount that does not exceed 3% percent of the minimum salary established by the law effective as at 1 January of the reporting (tax) year per 1 square meter of the taxable base.

Property taxes paid by legal entities and individuals [UAH million]

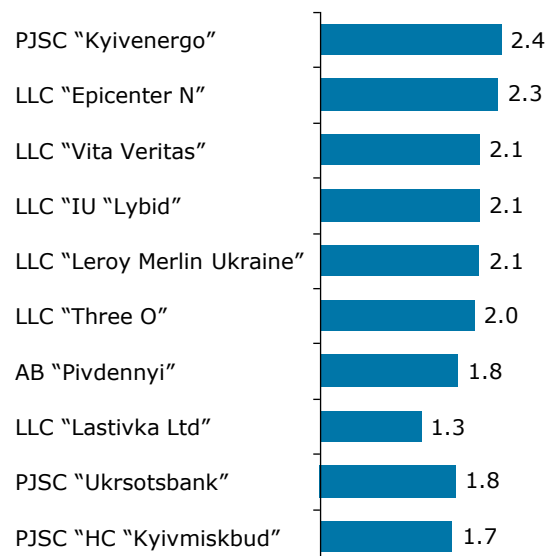


In 2017, a growth in proceeds from property taxes paid by legal entities and individuals was mainly attributable to the increase in the tax base due to the increased minimum salary taxable.

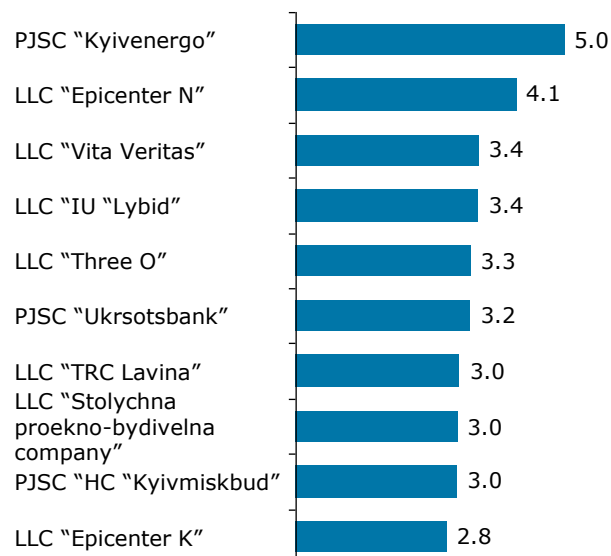
Another factor is due to the increased number of tax payers by 19%, or 5,567 persons.

TOP 10 property tax payers [UAH million]

In 2016



In 2017



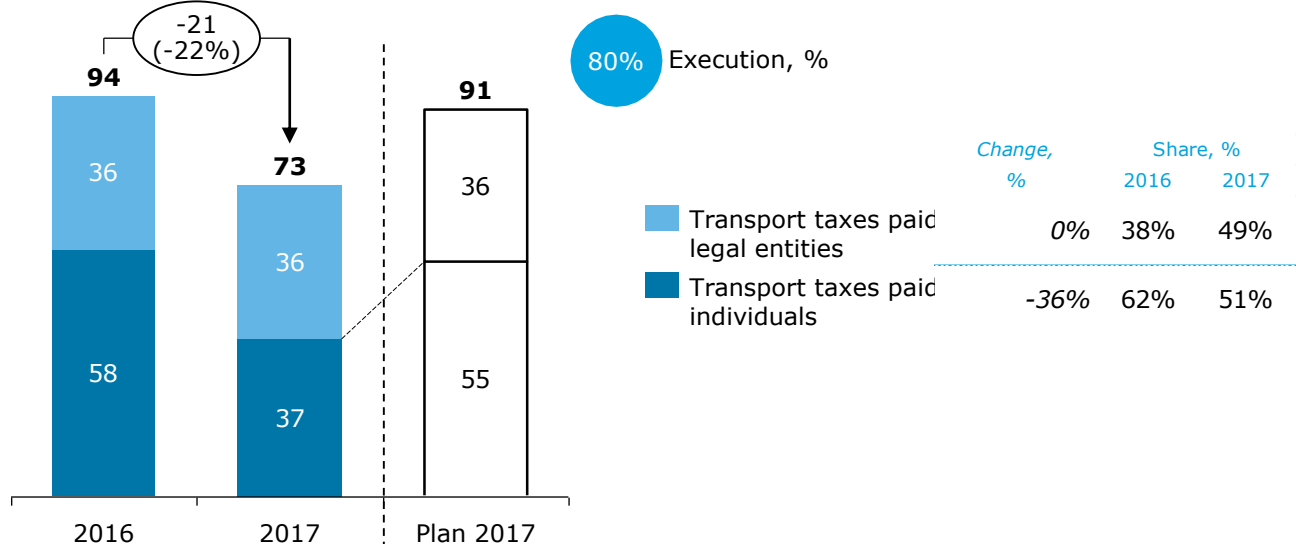


Tax Proceeds of the General Fund: Local Taxes and Charges (continued)

Property taxes: transport taxes

In 2017, proceeds from transport taxes paid by individuals decreased by 36% (-UAH 21 million) due to the decreased taxable base as a result of changes in the tax legislation.

Transport taxes paid by legal entities and individuals [UAH million]



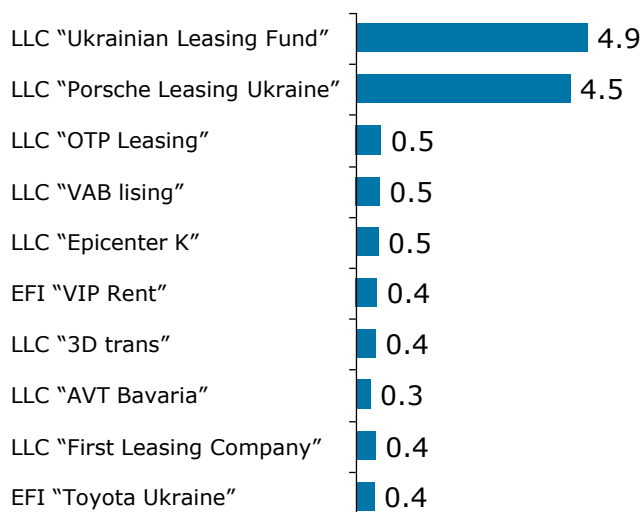
In the reporting year, a taxable base was changed for transport tax purposes:

- Before 1 January 2017, it included motor vehicles with the manufacture year of not more than 5 years ago and an average market value exceeding 750 minimum salaries (or UAH 1,033,500 as of 1 January 2016).
- Effective from 1 January 2016 – motor vehicles with the manufacture year of not more than 5 years ago and an average market value exceeding 375 minimum salaries (or UAH 1,200,000 as of 1 January 2017).

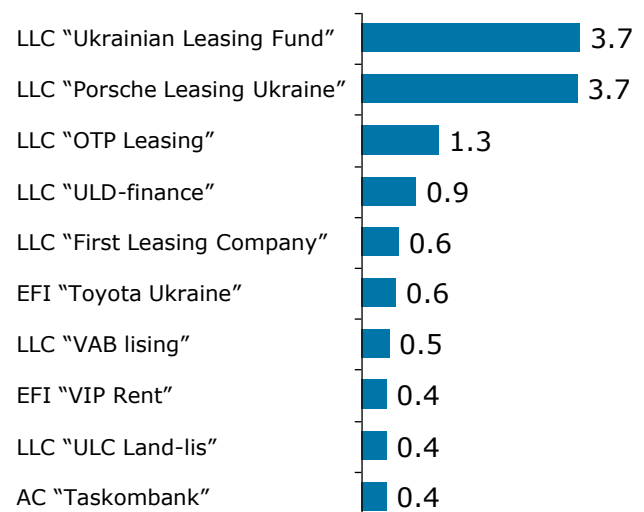
As a result, the number of vehicles subject to taxation in 2017 decreased compared to 2016.

TOP 10 transport tax payers [UAH thousand]

In 2016



In 2017



Source: KSCA, the General Directorate and the Office of Large Taxpayers of the State Fiscal Service

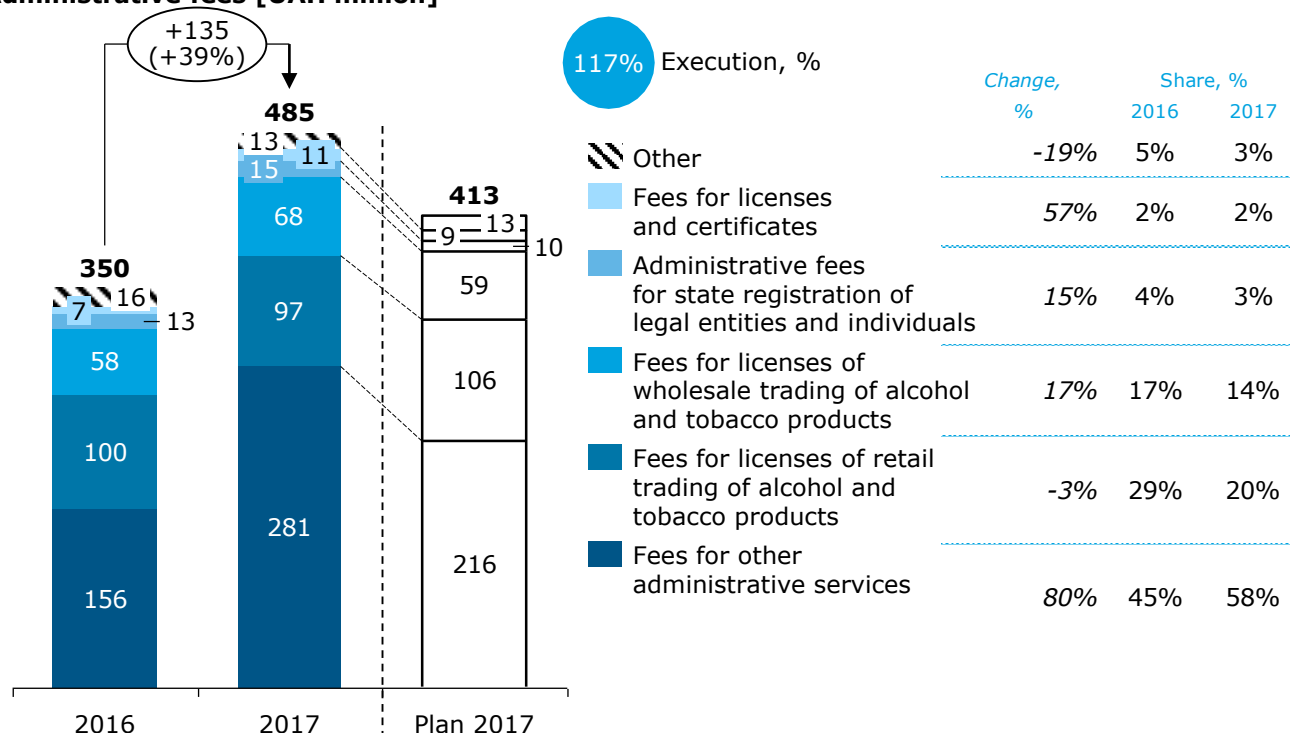


Non-Tax Proceeds of the General Fund: Administrative Fees and Charges

Administrative fees

In 2017, a growth in proceeds to the City's budget from payments for rendering administrative services was due to the transfer of the service on executing and issuing foreign passports of citizens of Ukraine with no-touch electronic media to the administrative services from state duties. Also, the number of persons who receive foreign passports of citizens of Ukraine increased due to the introduced visa-free travel regime to the European Union countries.

Administrative fees [UAH million]



Proceeds from rental fees for the use of integral property complexes and municipal properties

In the reporting period, proceeds from rental fees to the budget on the use of municipal properties of the territorial community of the city of Kyiv, including from the rent of integral property complexes and profits of joint stock companies that use municipal properties under leases, amounted to UAH 86 million (UAH 108 million in 2016), which represented 112% of the planned amount.

Of which proceeds from the rent of municipal properties amounted to UAH 73 million. UAH 13 million referred to proceeds from distribution of profits for the use of municipal properties of the territorial community of the city of Kyiv (PJSC "Kyivenergo" (UAH 2 million), PrJSC "JSC "Kyivvodokanal" (UAH 4 million), PJSC "Kyivgaz" (UAH 7 million).

State duties

Proceeds from state duties decreased by 54% from UAH 75 million in 2016 to UAH 34 million in 2017.

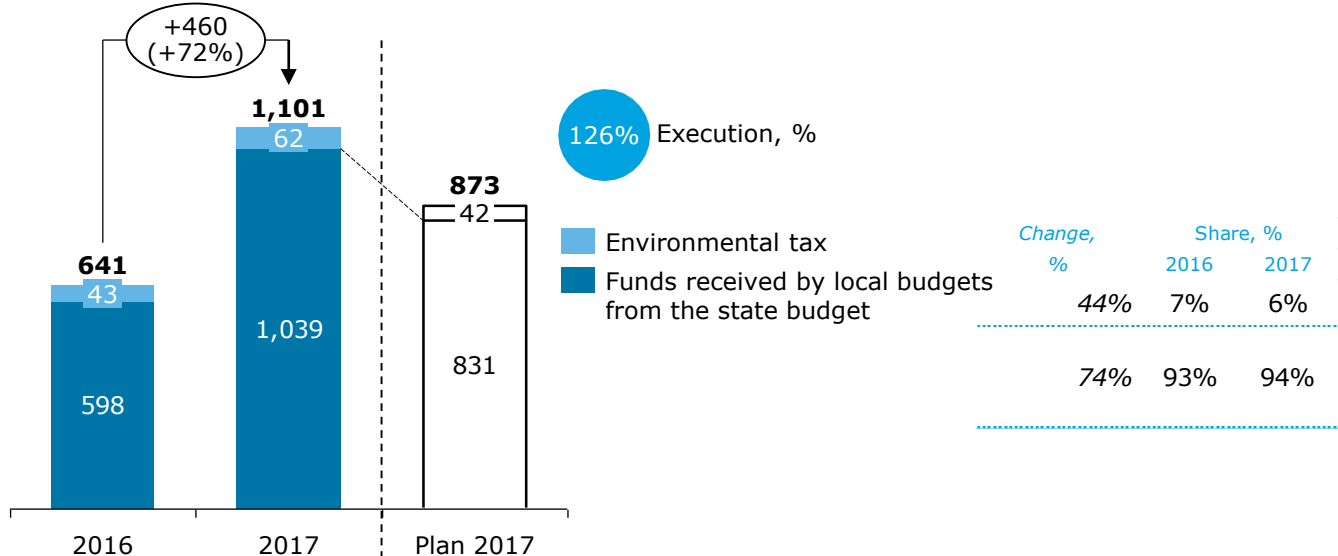
A key reason for the decrease in revenues is the transfer of the service on executing and issuing foreign passports of citizens of Ukraine with no-touch electronic media to the administrative services based on the Law of Ukraine "On the Unified State Demographic Register and Documents that Confirm Citizenship of Ukraine, Certify the Identity of Persons or Their Special Statuses" and Para. 36, Part One, Article 64 of the Budget Code of Ukraine.



The Special Fund's Revenues of Kyiv's City Budget

Tax Proceeds of the Special Fund

Tax proceeds of the Special Fund [UAH million]

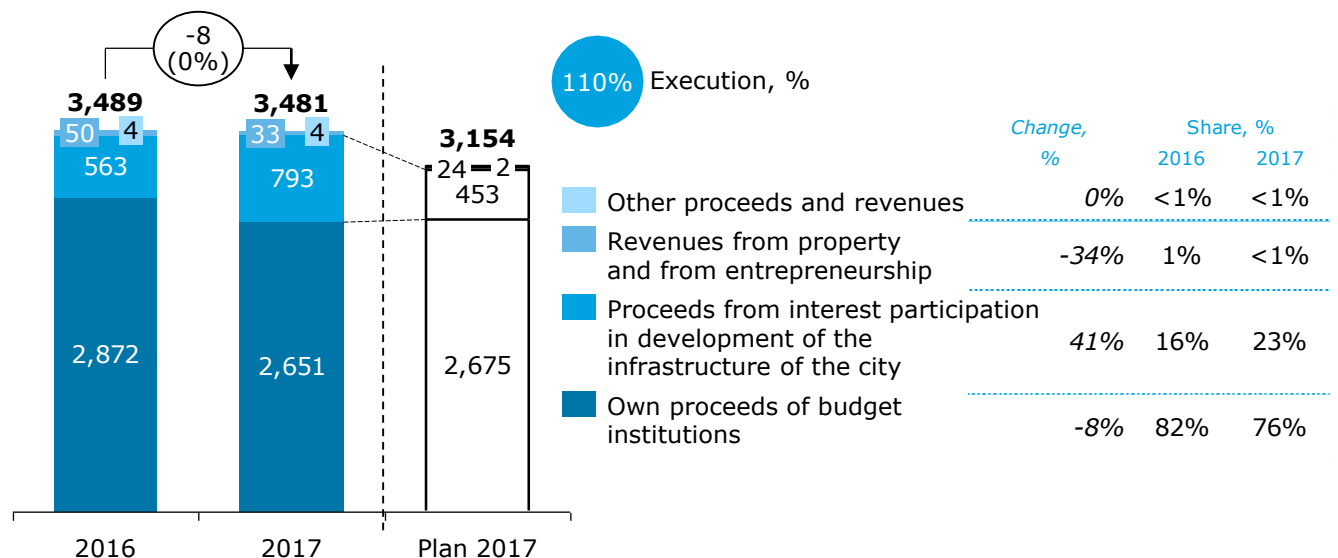


In 2017, the Special Fund of Kyiv's City budget received UAH 5,759 million, which included subventions from the state budget – UAH 714 million and financial provision for the activities on development of motor roads in accordance with Para. 33, Section VI "Final and Transitional Provisions" of the Budget Code of Ukraine – UAH 1,039 million. The financial provision for the activities on development of motor roads is financed with the 50% excess of actual proceeds over planned proceeds from customs duties at customs houses in the city of Kyiv.

Environmental taxes were received in the amount of UAH 62 million, which represented 148% (UAH 20 million of over-fulfillment) to the annual planned indicator. In comparison with 2016, these proceeds grew by 44% (or by UAH 19 million).

Non-tax proceeds to the Special Fund

A reduction in non-tax proceeds to the Special Fund was mainly due to the decreased own proceeds of budget institutions by 8%, or by UAH 221 million. This was caused by the lower revaluation amount of properties of budget institutions than in the prior year.



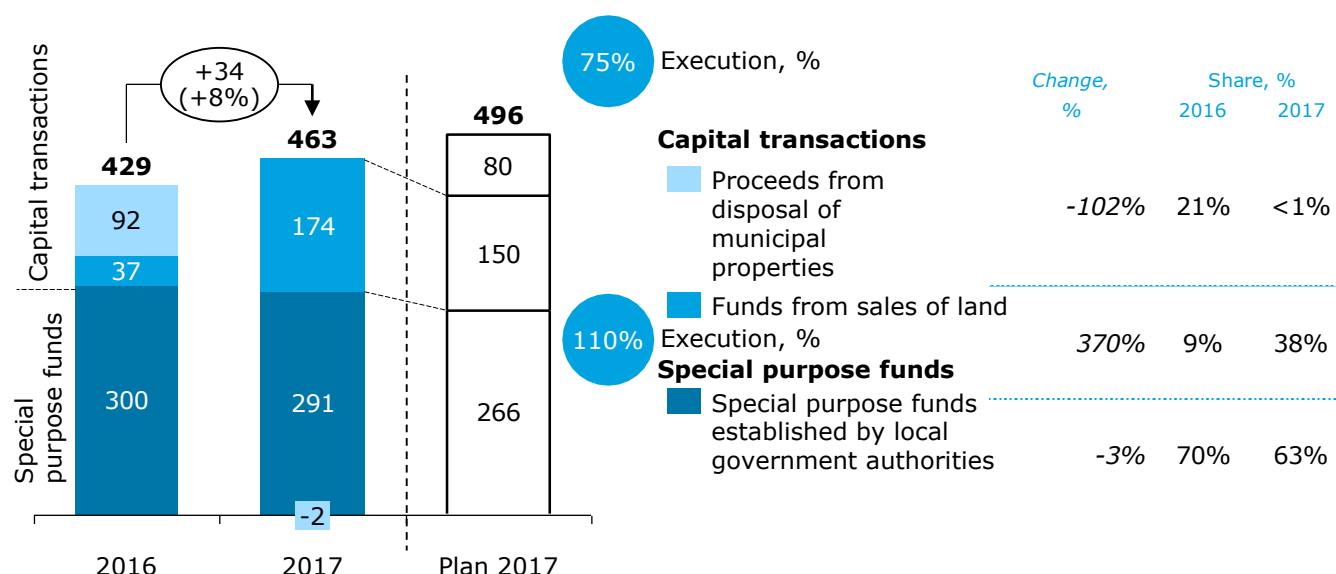


The Special Fund's Revenues of Kyiv's City Budget (continued)

Special Fund's proceeds from capital transactions and proceeds to special purpose funds

In 2017, planned revenues from capital transactions were fulfilled by 75% due to the return of funds based on court judgments. Aggregate revenues from capital transactions amounted to UAH 172 million, which was by 33% more than in 2016.

Other Special Fund's proceeds [UAH million]



Annual planned proceeds from sales of land were fulfilled by 116%: proceeds in 2017 amounted to UAH 174 million as compared to UAH 150 million planned.

Proceeds from sales of municipal properties of the territorial community of the city of Kyiv to the budget amounted to UAH 112 million (including UAH 1.4 million received from junking to scrap property, plant, and equipment written off and pursuant to Resolutions of the Kyiv City Council # 7672/1676 dated 20 December 2016, # 956/1960 dated 23 February 2017, # 340/1205 dated 2 April 2015, # 949/1953 dated 23 February 2017, and # 305/2527 dated 18 May 2017).

Negative values of proceeds from the sale of properties in the municipal ownership to the Special Fund of Kyiv's City budget in 2017 (-UAH 2.1 million) were reflected with reference to the funds returned according to the judgment of the Commercial Court in the city of Kyiv dated 24 March 2015 under Legal Case # 910/29514/14 in the amount of UAH 112 million to LLC "Financial Company "New Region".

In 2017, special purpose funds established by the Kyiv City Council gave to the budget UAH 291 million, which was 110% (UAH 25 million of over-fulfillment) to the planned indicators and less by UAH 9 million than similar proceeds of 2016 (-3%).

The special purpose fund was established by the Kyiv City Council in accordance with the provisions relating to such funds as approved by Resolution "On Kyiv's City Budget for the Year 2017". The special purpose fund consists of revenues and expenditures used to finance the development of municipal economy and resolve the most important issues of the city of Kyiv.



Non-Tax Proceeds of the Special Fund

Own proceeds from budget institutions

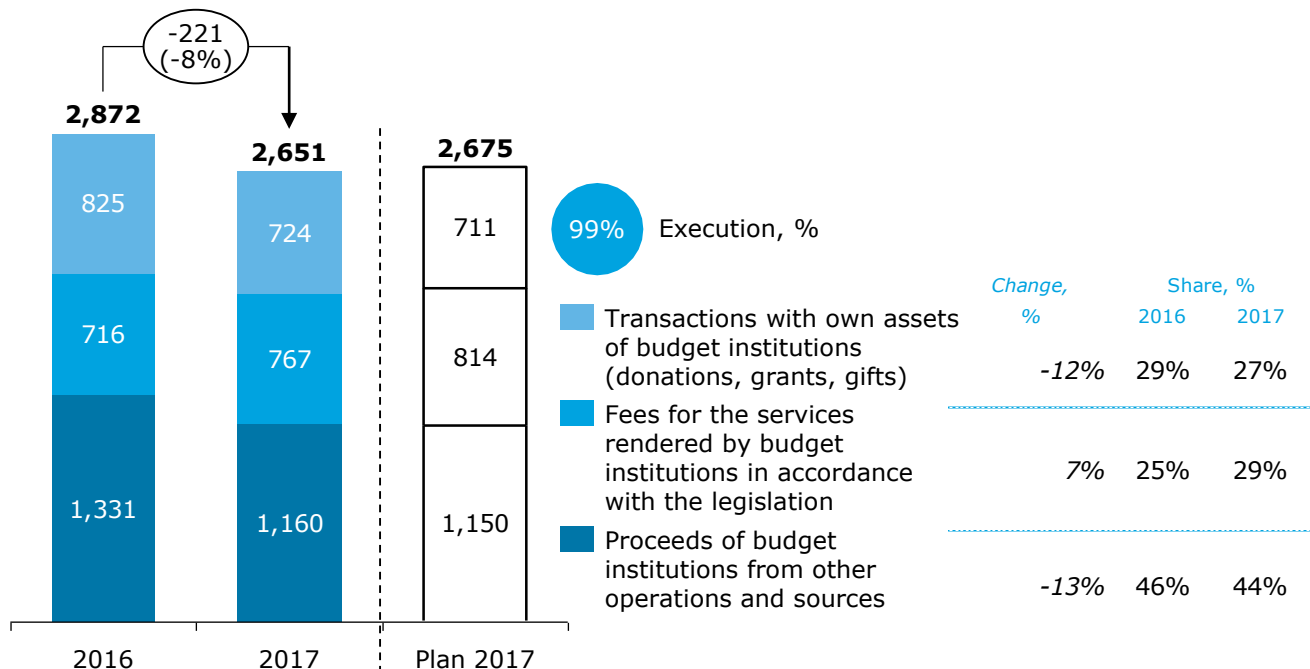
Own proceeds from budget institutions are recorded on the Special Fund accounts of Kyiv's City budget.

In 2017, own proceeds from budget institutions amounted to UAH 2,651 million, which was by UAH 221 million less than in 2016 due to the reduced own proceeds from budget institutions of Group Two, in part of recording the transactions with assets of budget institutions.

As usual, transactions with own assets of budget institutions are non-monetary by nature, and they are impossible to plan, thus, those transactions are not considered at the moment the Kyiv City Council approves its budget.

Non-cash transactions with own assets of budget institutions, in particular, operations on reflecting an expert monetary valuation of land plots, are recorded both in revenues and expenditures of Kyiv's City budget.

Own proceeds from Kyiv's City budget institutions [UAH million]



Proceeds from budget institutions on other activities include:

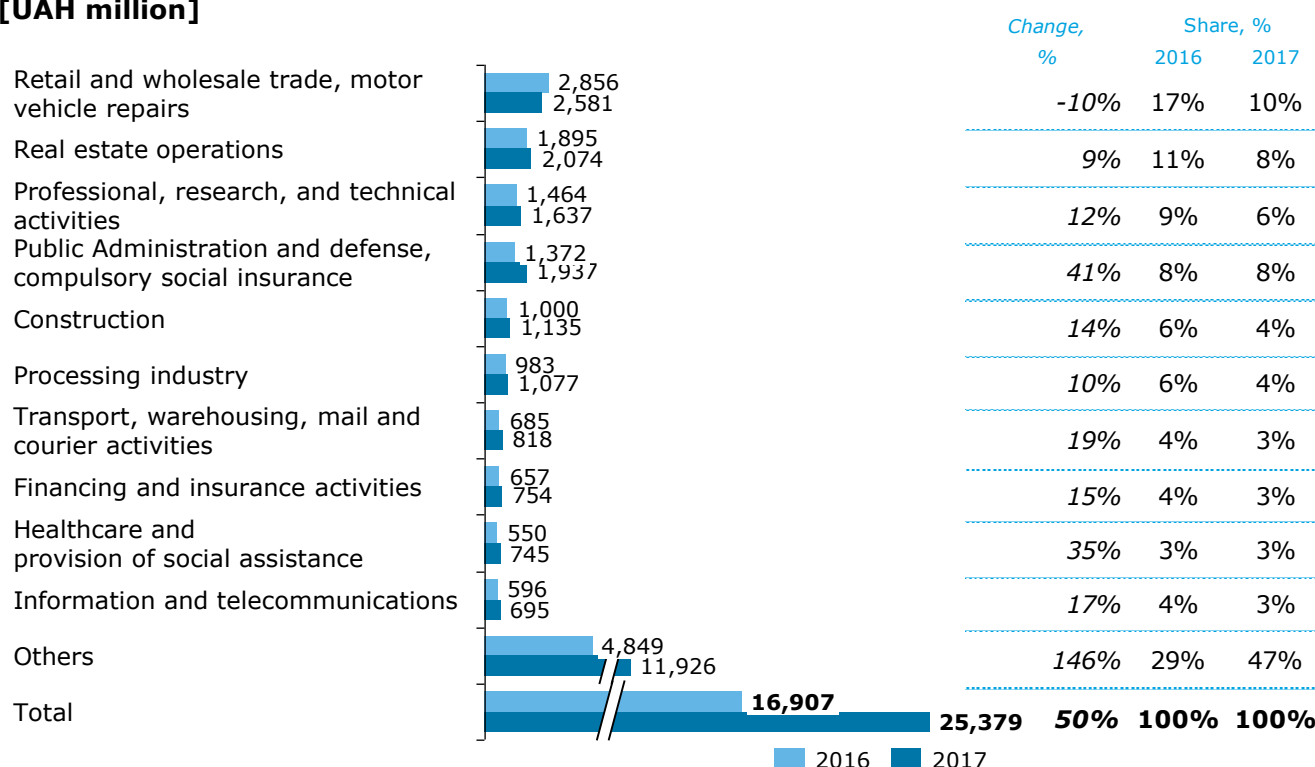
- Rentals from leased properties of budget institutions;
- Proceeds from budget institutions on additional activities;
- Funds received by budget institutions from entities, organizations, individuals, and other budget institutions to perform special purpose actions, in particular, activities on sales for public needs of land plots and other facilities located on them.



Structure of Proceeds to the Budget's General and Special Funds by Economy Segments

Tax revenues to the city budget from the enterprises of the city of Kyiv increased due to the growth of revenues from state administration, defense and compulsory social insurance (+ UAH 565 million) and health care and social assistance (+ UAH 195 million).

Tax proceeds to the budget (the General and Special Funds) from Kyiv's City entities [UAH million]

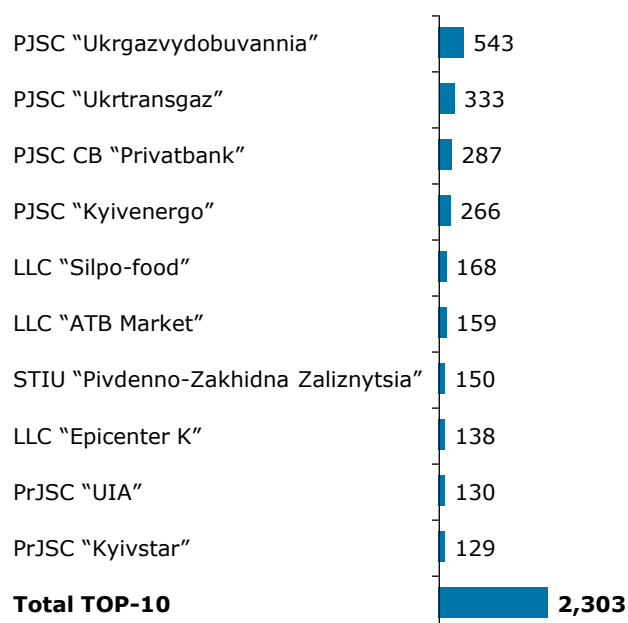
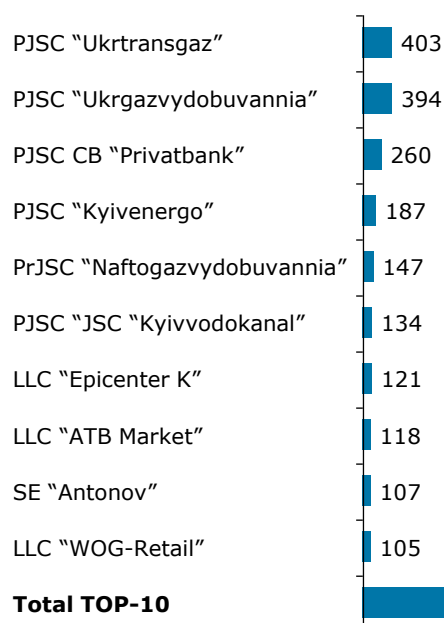


TOP 10 taxpayers paid 8% of total tax proceeds to the City's budget from Kyiv's City entities. At the same time, share of taxpayers remained constant in comparison with 2016.

TOP 10 corporate taxpayers to Kyiv's City budget [UAH million]

In 2016

In 2017

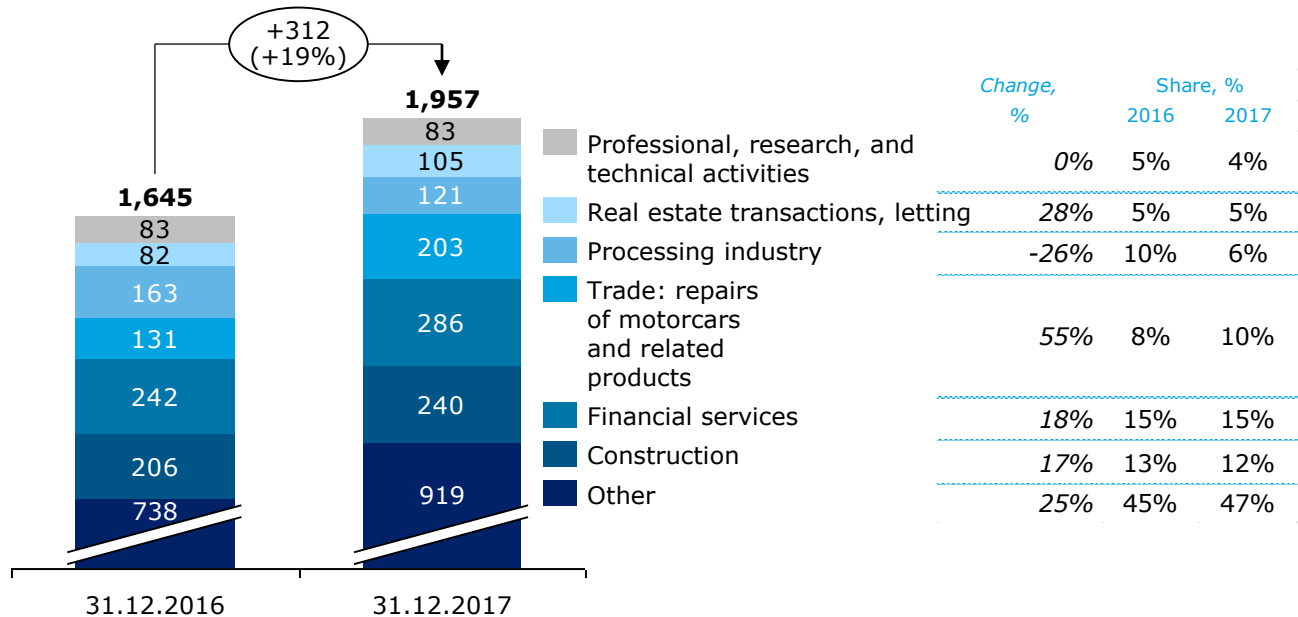




Structure of the Entities' Accounts Payable to the Budget by Economy Segments

During 2017, the total tax debt of enterprises increased by 19% (or by UAH 392 million). At the same time, the share of TOP 10 debtors decreased.

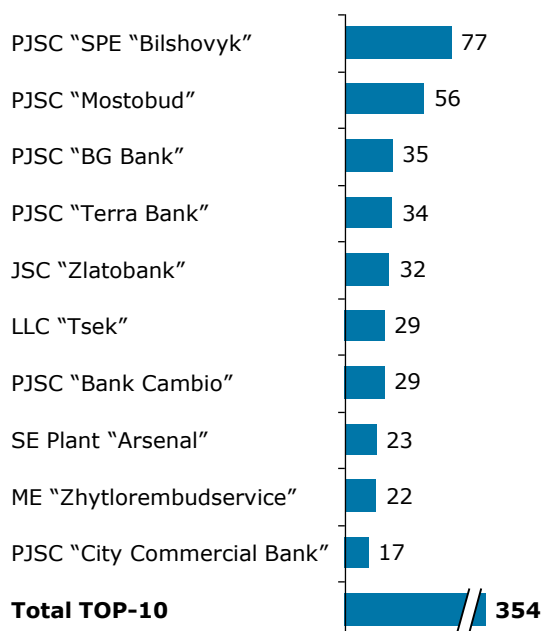
Structure of amounts due to Kyiv's City budget on tax proceeds by segments [UAH million]



The debt of top ten payers was UAH 335 million or 17% of the total amount of tax debt to the City's budget from the enterprises of the city of Kyiv at the end of 2017, which was by UAH 19 million less than in 2016.

TOP 10 taxpayer debtors [UAH million]

As of 31 December 2016



As of 31 December 2017



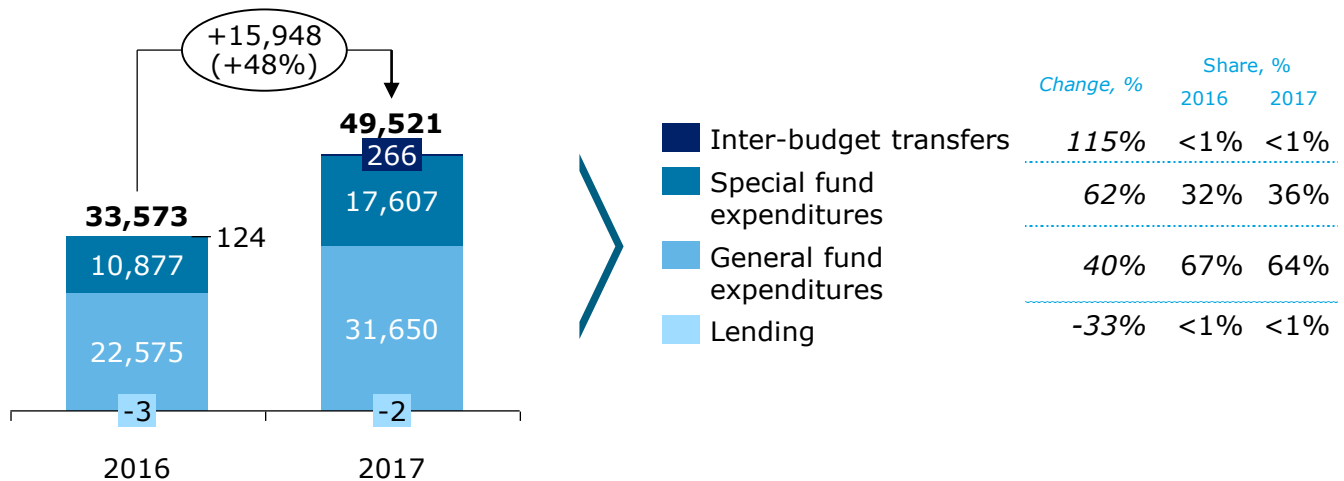


6.4. Budget Expenditures of the City of Kyiv



Expenditures of Kyiv's City Budget in 2017

Expenditures of the city of Kyiv [UAH million]



A growth in the General Fund's expenditures of Kyiv by UAH 9,075 million (or by 40.1%) compared to 2016 was due to an increase in budget revenues as a result of tax proceeds, which allowed using more expenditures in the social sphere. The expenditures were mainly spent on social security and capital transfers and, to a lesser extent, on the increase in labor costs.

An increase in expenditures of the Special Fund by UAH 6,730 million (or by 61.9%) was mainly caused by the increased capital transfers by UAH 6,965 million (or by 124%).

In the structure of expenditures, the largest shares fall to social and cultural expenditures (education, health care, social security and social welfare). In the reporting period, total share of those expenditures in the structure of budget expenditure amounted to 58% – which was by UAH 8,386 million more than in the prior year.

A detailed analysis of the structure of the General and Special Fund expenditures is represented below in this Section.

Transfers to budgets of other levels amounted to UAH 266 million in the year 2017 (a gain of UAH 142 million in comparison with the previous year).

The structure of inter-budget transfers saw increase in current transfers (from UAH 81 million in 2016 to UAH 198 million) which amounted to 74% of total transfers. Capital transfers grew from UAH 43 million to UAH 68 million, respectively.

The City's budget holders

In 2017, the City's budget expenditures were carried out through 37 budget holders:

- Kyiv City Council,
- Executive Office of the KCSA,
- Kyiv City State Administration,
- 24 departments and units of the KCSA;
- 10 district state administrations (DSAs).

A detailed breakdown of expenditures by budget holders is provided on the next page.



Budget Expenditures of Kyiv by Major Budget Holders (continued)

Expenses of the City's budget in the context of main administrators [UAH million]

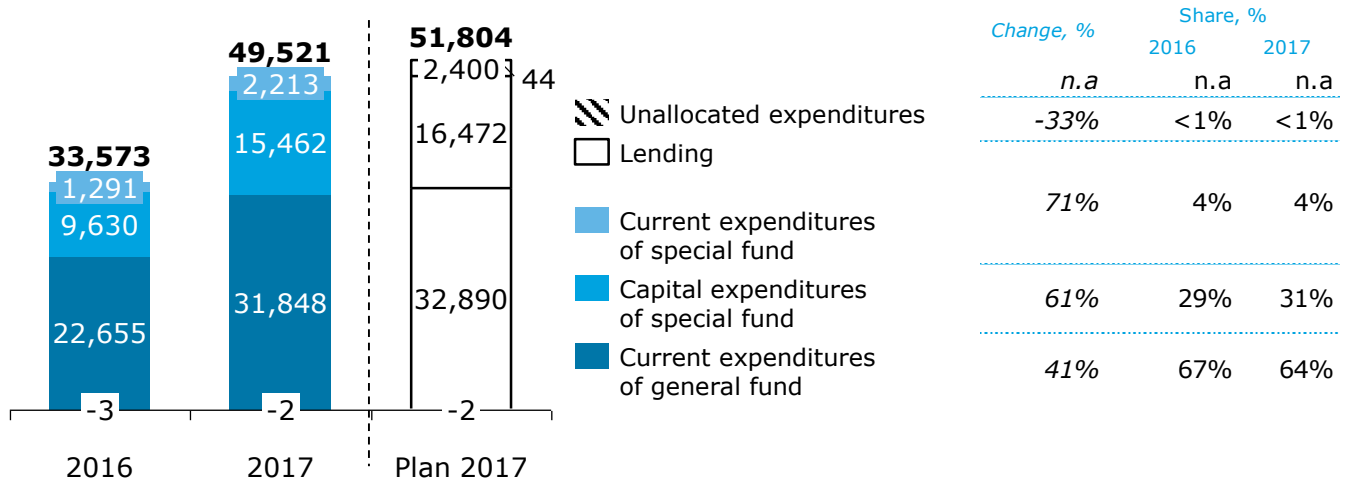
	2016	2017	Changes	Execution	Share 2016	Share 2017
Healthcare Department	6,154	7,184	17%	98%	18%	15%
Department of Social Policy	4,935	7,460	51%	98%	15%	15%
Transport Infrastructure Department	4,121	7,191	74%	96%	12%	15%
Construction and Housing Department	1,657	3,592	117%	95%	5%	7%
Housing and Utilities Infrastructure Department	749	1,959	162%	90%	2%	4%
Education and Science, Youth and Sports Department	1,141	1,448	27%	92%	3%	3%
Culture Department	1,221	1,182	-3%	112%	4%	2%
Urban Amenities and Environmental Protection Department	449	857	91%	90%	1%	2%
Department of Finance	902	763	-15%	97%	3%	2%
Information and Communication Technologies Department	4	586	n.s.	92%	<1%	1%
Kyiv City Council (Secretariat)	153	269	76%	97%	<1%	<1%
KCSA Executive Office	356	242	-32%	141%	1%	<1%
Economics and Investments Department	55	174	216%	94%	<1%	<1%
Social Communications Department	57	94	65%	94%	<1%	<1%
Urban Development and Architecture Department	65	84	29%	68%	<1%	<1%
Child and Family Service	36	64	78%	94%	<1%	<1%
Department of Land Resources	27	43	59%	67%	<1%	<1%
Administrative Services Department (Centre)	25	29	16%	94%	<1%	<1%
Municipal Property of Kyiv City Department	18	25	39%	93%	<1%	<1%
Industry and Entrepreneurship Development Department	15	25	67%	60%	<1%	<1%
Internal Financial Control and Audit Department	13	17	31%	85%	<1%	<1%
Department of Tourism and Promotions	-	16	-	89%	<1%	<1%
Department on registration matters	8	12	50%	100%	<1%	<1%
State Architecture and Construction Control Department in Kyiv	4	9	125%	100%	<1%	<1%
Self-Government Control Administration (Inspection)	2	3	50%	100%	<1%	<1%
Department of Advertising	-	2	-	50%	<1%	<1%
Kyiv City State Administration	-	0.1	-	1%	<1%	<1%
Subtotal	22,169	33,330	50%	96%	66%	67%
Kyiv's District State Administrations						
Darnytska	1,404	2,087	49%	94%	4%	4%
Dniprovska	1,336	2,077	55%	96%	4%	4%
Desnianska	1,288	1,966	53%	96%	4%	4%
Sviatoshynska	1,347	1,826	36%	96%	4%	4%
Obolonska	1,199	1,690	41%	97%	4%	3%
Solomianska	1,159	1,629	41%	97%	3%	3%
Shevchenkivska	1,251	1,611	29%	97%	4%	3%
Holosiivska	993	1,285	29%	94%	3%	3%
Podilska	836	1,203	44%	96%	2%	2%
Pecherska	594	819	38%	97%	2%	2%
Subtotal	11,407	16,193	42%	96%	34%	33%
Total without lending	33,576	49,523	47%	96%		
Lending	-3	-2	-33%	100%	<1%	<1%
Total	33,573	49,521	48%	96%	100%	100%

Source: KCSA



Expenditures of Kyiv's City Budget (Economic Classification)

Expenditures of Kyiv's City budget by funds [UAH million]



In the structure of expenditures of Kyiv's City budget by economic classification, current expenditures amounted to 69% and capital expenditures – 31%. Compared to 2016, the share of capital expenditures increased by 3%.

In 2017, current expenditures of the General Fund increased by 41% (or by UAH 9.2 billion), mainly due to the increased revenues of the budget, which allowed to increase funding of local expenditures. The increase in capital expenditures of the Special Fund by 61% (or by UAH 5.8 billion) was caused by the increased capital transfers by 124% (or by UAH 7 billion). The increase was mainly due to the increased subventions to the state budget to fulfill programs of social and economic and cultural development of regions.

Due to changes in the legislation in part of expenditures to health care, in 2017, compared to 2016, the share of current expenditures significantly increased by CECE 2200 "Use of Goods and Services".

Expenditures of Kyiv's City budget by funds [UAH million]

	2017 plan			2017 fact			Share	Executi on
	General fund	Special fund	Total	General fund	Special fund	Total		
Current expenditures	32,889	2,400	35,289	31,848	2,213	34,061	69%	97%
Labor costs	9,889	115	10,004	9,818	102	9,920	20%	99%
Use of goods and services	9,175	1,308	10,483	8,552	1,148	9,701	20%	93%
Debt servicing	6	-	6	1	-	1	<1%	17%
Current transfers	7,390	854	8,244	7,192	846	8,038	16%	98%
Social security	6,313	5	6,318	6,190	4	6,193	13%	98%
Other current expenditures	116	118	234	95	113	208	<1%	89%
Capital expenditures	-	16,472	16,472	-	15,462	15,462	31%	94%
Acquisition of fixed assets	-	3,048	3,048	-	2,872	2,872	6%	94%
Capital transfers	-	13,424	13,424	-	12,590	12,590	25%	94%
Unallocated expenditures	44	-	44	-	-	-	-	-
Lending	-	-2	-2	-	-2	-2	0%	100%
Total	32,933	18,870	51,803	31,848	17,673	49,521	100%	96%



Expenses of Kyiv's City Budget (Economic Classification) (continued)

Expenditures of Kyiv's City budget by types of expenditure (economic classification) [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Current expenditures	23,946	34,061	42%	71%	69%	35,290	97%
Labor costs	9,108	9,920	9%	27%	20%	10,004	99%
Use of goods and services	5,206	9,701	86%	16%	20%	10,484	93%
Debt servicing	277	1	-100%	<1%	<1%	6	17%
Current transfers	5,213	8,038	54%	16%	16%	8,244	98%
Social security	4,101	6,193	51%	12%	13%	6,318	98%
Other current expenditures	41	208	407%	<1%	<1%	234	89%
Capital expenditures	9,630	15,462	61%	29%	31%	16,472	94%
Acquisition of fixed assets	4,005	2,872	-28%	12%	6%	3,048	94%
Capital transfers	5,625	12,590	124%	17%	25%	13,424	94%
Unallocated expenditures	-	-	-	<1%	<1%	44	H.3.
Lending	-3	-2	-33%	<1%	<1%	-2	100%
Total	33,573	49,521	48%	100%	100%	51,804	96%

In 2017, expenditures increased on:

- Transport, road facilities, communication, telecommunications and information services – by UAH 4,723 million, due to the increased expenditures on maintenance and development of road infrastructure (+UAH 2 billion);
- Education – by UAH 3,486 million, mainly due to the increased expenditures on comprehensive secondary school (+UAH 1.6 billion) as a result of the increased number of students (+8.6 thousand persons) and the increased salary by UAH 2.6 billion.

The reduced expenditures on debt servicing by 94.6% (-UAH 266 million) were caused by the absence of expenditures needed to service domestic debt liabilities that had been repurchased in 2016.

The structure of expenditures of the budget of the city of Kyiv [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Education	8,053	11,539	43%	24%	23%	12,207	95%
Health care	7,640	9,330	22%	23%	19%	9,540	98%
Social care and social security	4,648	7,858	69%	14%	16%	8,013	98%
Transport, road facilities, communication, telecommunications, and information systems	2,553	7,276	185%	8%	15%	7,626	95%
Construction	3,642	4,364	20%	11%	9%	4,631	94%
Housing and utilities	2,598	3,259	25%	8%	7%	3,563	91%
Public administration	1,192	1,592	34%	4%	3%	1,647	97%
Culture and arts	1,266	1,459	15%	4%	3%	1,503	97%
Other services related to economic activities	710	1,362	92%	2%	3%	1,421	96%
Physical culture and sports	301	433	44%	<1%	<1%	459	94%
Special-purpose funds	313	351	12%	<1%	<1%	379	93%
Expenditures not included into major groups	179	309	73%	<1%	<1%	397	78%
Mass media	37	61	65%	<1%	<1%	61	100%
Agriculture and forestry, fishery and hunting	29	27	-7%	<1%	<1%	29	93%
Prevention and liquidation of emergencies and consequences of natural disasters	10	22	120%	<1%	<1%	22	100%
Debt service	281	15	-95%	<1%	<1%	38	39%
Inter-budget transfers	124	266	115%	<1%	<1%	270	99%
Lending	-3	-2	-33%	<1%	<1%	-2	100%
Total	33,573	49,521	48%	100%	100%	51,804	96%

Source: KCSA

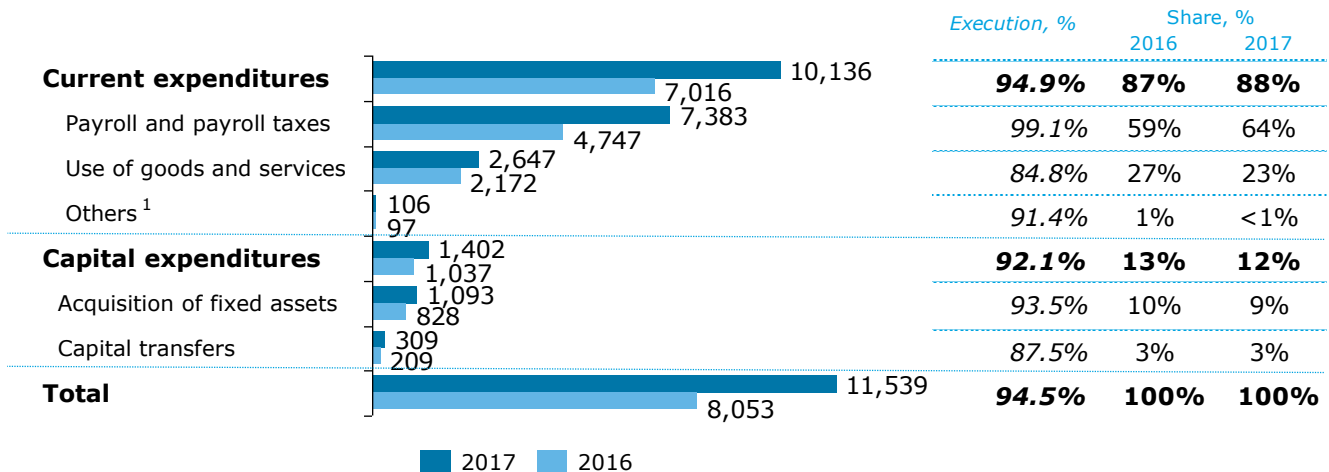


Expenditures: Education

In 2017, expenditures on functioning and development of education institutions in the city of Kyiv grew by UAH 3.5 billion.

In 2017, expenditures of the General Fund amounted to UAH 9.6 billion, or 84% of total expenditures in education, while expenditures of the Special Fund amounted to UAH 1.9 billion, or 16%, respectively.

Structure of expenditures on education by types [UAH million]



The increase in education expenses was mainly due to an increase in labor costs (UAH 2,636 million) and expenses for the use of goods and services (+ UAH 475 million).

The increase in expenditures on education was mainly due to higher expenditures on labor costs (+UAH 2,636 million). Pre-school expenditures grew by 60% (+UAH 1,383 million) for 100.1 thousand children aged from 1 to 6 years old in 529 institutions of Kyiv.

In addition, to improve material and technical facilities of education institutions, the development budget spent UAH 984 million, of which UAH 16.4 million – to implement 23 projects of public budget.

Structure of expenditures on education by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Regular schools	4,029	5,647	40%	50%	49%	5,858	96%
Pre-school educational institutions	2,304	3,687	60%	29%	32%	3,949	93%
Vocational training educational institutions	363	467	29%	5%	4%	488	96%
Higher educational institutions of III-rd and IV-th levels of accreditation	302	325	8%	4%	3%	343	95%
Extra-curricular educational institutions	221	343	55%	3%	3%	361	95%
Special educational institutions for children with special needs	206	310	50%	3%	3%	341	91%
Higher educational institutions of I-st and II-nd levels of accreditation	198	213	8%	2%	2%	225	95%
Other educational programs	108	86	-20%	1%	<1%	148	58%
Boarding schools, sanitarium boarding schools	88	130	48%	1%	1%	141	92%
Centralized accounting departments of regional, municipal, and district education authorities	58	88	52%	<1%	<1%	92	96%
Others	176	243	38%	2%	2%	261	93%
Total	8,053	11,539	43%	100%	100%	12,207	95%

¹ Included current transfers, social security and other current expenditures
Source: KCSA



Expenditures: Education (continued)

In 2017, average expenditures of the City's budget per 1 student grew by 43%, mainly due to the increased expenditures on labor costs and the improved material and technical facilities of education institutions.

The largest part of expenditures in 2017 and 2016 were expenditures for general education schools and pre-school education institutions.

Educational institutions, which are financed from the budget of the city of Kyiv

Educational institutions	Number of educational institutions ¹		Average number of pupils/ children/ students, persons			Average expenditure per 1 pupil per annum, thousand UAH		
	2016	2017	2016	2017	Change	2016	2017	Change
Pre-school educational institutions	525	529	99,828	99,516	0%	23.1	37.0	61%
Schools, lyceums and gymnasiums	396	393	257,273	259,965	1%	15.7	21.7	39%
Evening (shift-type) schools	9	9	2,318	1,880	-19%	11.0	16.0	46%
Boarding schools	7	7	1,438	1,481	3%	60.9	87.5	44%
Orphanages	1	1	319	145	-55%	62.8	176.9	182%
Special educational institutions for children with special needs	16	16	2,839	3,208	13%	72.6	96.7	33%
Specialized schools with in-depth study of individual subjects and courses for in-depth training of children in the field of science and arts, physical culture and sports, lyceums with intensive military-physical training	2	2	996	1,018	2%	54.2	72.9	35%
Extra-curricular educational institutions and extra-curricular activities for children	39	39	74,003	74,303	0%	3.0	4.6	54%
Vocational training educational institutions	26	24	13,198	12,490	-5%	27.5	37.4	36%
Higher educational institutions I and II accreditation level	4	4	3,610	3,675	2%	54.9	58.0	6%
Higher educational institutions III and IV accreditation level	3	3	3,057	2,884	-6%	98.9	112.7	14%
Postgraduate educational institutions	1	1	12,678	12,863	1%	1.4	1.7	21%
Procedural guidance and other public education activities	30	27	-	-	-	-	-	-
Service of technical supervision of construction and capital repairs	1	-	-	-	-	-	-	-
Centralised accounting offices of educational departments	11	10	-	-	-	-	-	-
Groups of centralized economic services	10	10	-	-	-	-	-	-
Other	2	3	1,775	1,931	9%	5.4	6.8	26%
Assistance to 18-year old orphaned children and children deprived of parental care	-	-	272	269	-1%	1.8	1.8	0%
Total	1,083	1,078	473,604	475,628	0%	17.0	24.3	43%

¹ Number of institutions by the end of the year
Source: KCSA

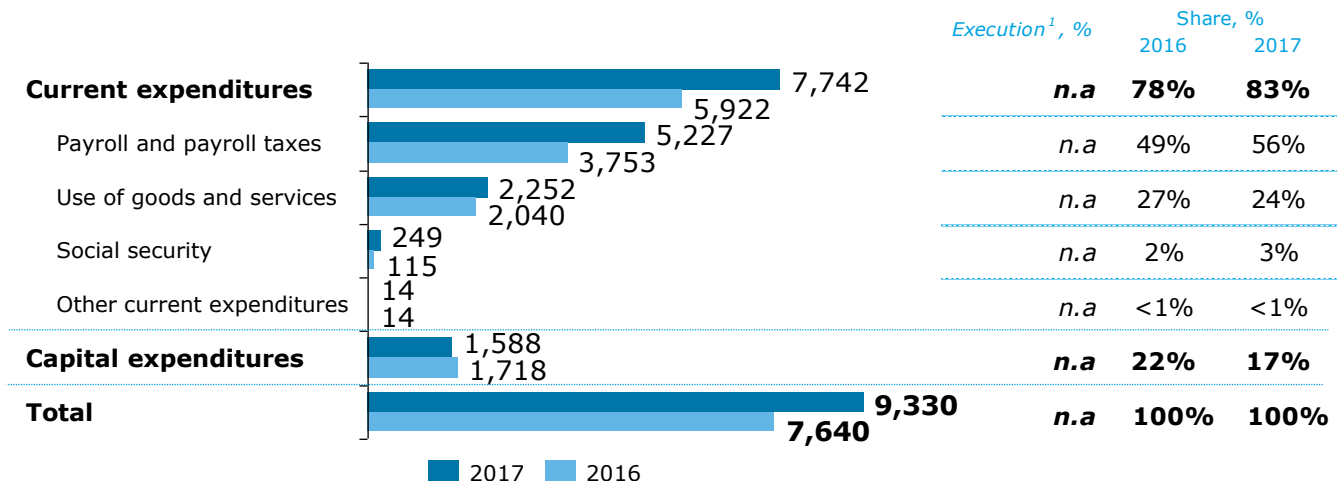


Expenditures: Health Care

In 2017, expenditures on functioning and development of health care institutions increased by UAH 1,690 million.

In 2017, expenditures of the General Fund amounted to UAH 7.1 billion, or 76% of total expenditures in health care, and expenditures of the Special Fund – UAH 2.2 billion, or 24%, respectively.

Structure of expenditures to health care by types¹ [UAH million]



In 2017, due to the amendments made in the Procedure for Preparing, Considering, and Approving and Basic Requirements to Executing Budget Institutions' Budgets, funding of labor costs and salary accruals were included in Line "Certain Measures on Implementation of State (Regional) Programs not Included in Development Activities" and amounted to UAH 5,227 million. Average monthly salary of employees in the industry for the reporting period amounted to UAH 6,000, which is by 39.8% more in comparison with 2016.

Expenditures to fulfill Municipal Special Purpose Program "Health of Kyivans" amounted to UAH 565 million in 2017.

Structure of expenditures to health care by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Hospitals	2,234	2,873	29%	29%	31%	2,905	99%
Other healthcare activities	1,251	1,290	3%	16%	14%	1,368	94%
Specialised hospitals (no bed fund available)	887	1,190	34%	12%	13%	1,206	99%
Primary medical assistance centres	844	1,134	34%	11%	12%	1,144	99%
Specialized hospitals (bed fund available)	1,048	1,128	8%	14%	12%	1,144	99%
Centers of urgent medical aid and emergency medicine, emergency medical treatment stations	242	337	39%	3%	4%	337	100%
Perinatal centres and birthing hospitals	346	336	-3%	5%	4%	344	98%
Local medical associations	318	313	-2%	4%	3%	315	99%
Sanatorium treatment for patients with tuberculosis	30	254	747%	<1%	3%	254	100%
Others	440	475	8%	6%	5%	523	91%
Total	7,640	9,330	22%	100%	100%	9,540	98%

¹ Calculation of the performance of the budget was not carried out due to the impossibility of calculating the planned indicators at the end of the year.

² In connection with the introduction of changes in the procedure for drawing up, reviewing, approving and basic requirements for the implementation of budgets of budget institutions, the data are presented in accordance with the calculations of the Department of Finance of the KSCA

Source: KSCA



Expenditures: Health Care (continued)

During 2017, there was a slight increase in the total number of beds and headcount at health care institutions. Other common key indicators of the functioning of health facilities also remained almost at the level of the previous year.

Health institutions funded from the city budget of Kyiv

	Number of institutions as at year-end		Number of beds, as at year-end		Change	Doctor's visits, thousand		Change	Number of staff positions, as at year-end		Change
	2016	2017	2016	2017		2016	2017		2016	2017	
Hospitals	26	26	10,465	10,455	0%	1,277	1,277	0%	18,710.50	18,805.50	1%
Community medical institutions	5	5	1,495	1,595	7%	166	172	3%	2,288.25	2,310.25	1%
Specialised hospitals (beds available)	24	23	4,638	4,633	0%	849	935	10%	7,923.25	7,808.75	-1%
Perinatal centres and birthing hospitals	6	6	1,130	1,140	1%	316	316	0%	2,954.50	2,871.00	-3%
Sanatoriums for consumptives	2	2	300	400	33%	-	-	-	178.25	177.25	-1%
Sanatoriums for children and teenagers (nontuberculous)	9	9	375	925	147% ¹	-	-	-	452.50	462.75	2%
Child care centres	2	2	270	270	0%	-	-	-	437.00	452.00	3%
Blood transfusion stations	2	2	-	-	-	-	-	-	241.50	235.00	-3%
Emergency medical assistance centres	1	1	-	-	-	-	-	-	2,830.50	2,822.00	0%
Outpatient hospitals and ambulatory care clinics	1	1	20	20	0%	907	914	1%	528.25	521.25	-1%
Specialised clinics (no bed fund available)	29	29	1,117	1,162	4%	12,896	11,455	-11%	10,977.00	10,866.50	-1%
General and specialised dental clinics	8	9	-	-	-	340	366	7%	555.00	634.75	14%
Health Centers of sanitary education	1	1	-	-	-	-	-	-	33.50	29.00	-13%
Primary medical assistance centres	28	28	490	462	-6%	12,185	11,938	-2%	8,918.00	8,814.50	-1%
Other health care institutions and activities	6	6	-	-	-	-	-	-	2,081.50	2,079.00	0%
Total	150	150	20,300	21,062	4%	28,936	27,373	-5%	59,109.50	58,889.50	0%

¹ In 2017, the total number of beds of sanatoriums for children and adolescents is reflected, taking into account sanatoria on the territory of the Autonomous Republic of Crimea, which were not displayed in 2016

Source: KCSA

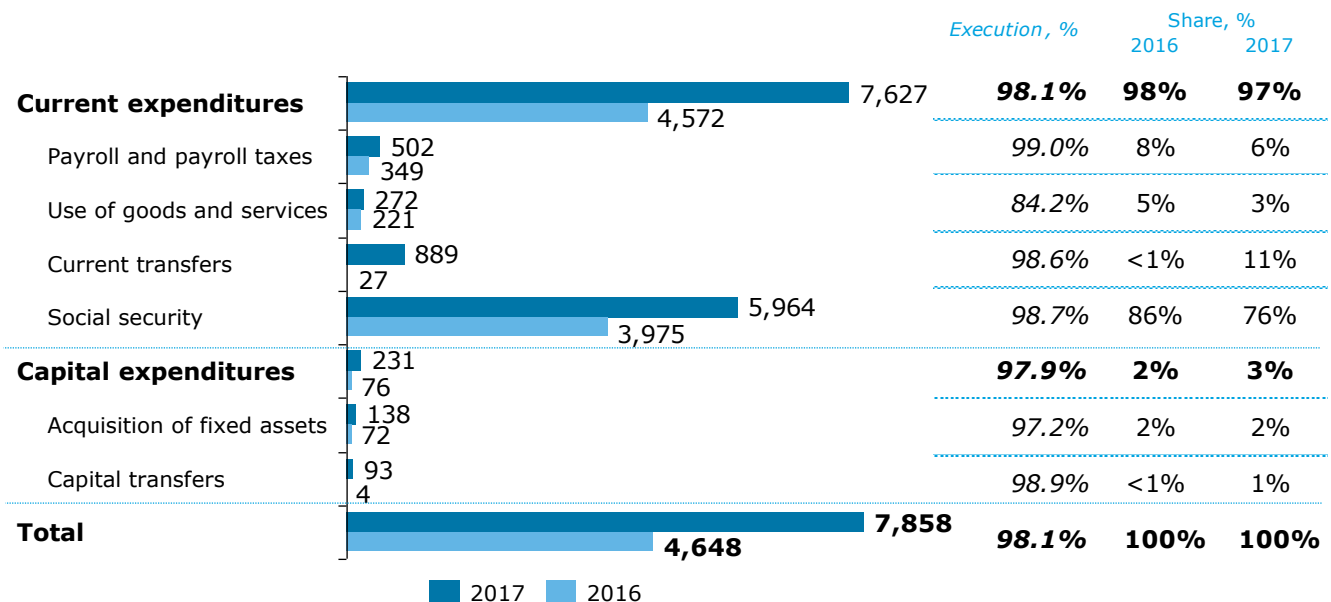


Expenditures: Social Security and Social Care

In 2017, expenditures to social security and social care increased by UAH 3,209 million.

In 2017, the General Fund's expenditures amounted to UAH 7.6 billion, or 96% of total social security expenditures, the Special Fund's expenditures amounted to UAH 281 million, or 4%, respectively.

Structure of expenditures to social security and social care by types [UAH million]



In 2017, social security expenditures increased by 69%, or by UAH 3,210 million. This was driven by the increase in subsidies granted to individuals to cover utility costs that grew as a result of the increased tariffs for housing and public utility services by UAH 1,562 million: from UAH 1,045 million in 2016 to UAH 2,607 million in 2017.

Also, due to changes in the classification of expenditures, the group of social security and social welfare included compensations for privileged travel by electric, motor, and railroad transports of certain categories of citizens, which resulted in the increased expenditures of this group by UAH 858 million.

Also, the group of social protection and social security included expenditures for monetary compensation for eligible premises for ATO participants in the amount of UAH 89 million. (in 2016, UAH 67 million).

In the course of performing certain activities under special purpose municipal programs in the sphere of social security, one-time financial aids were granted to 558 family members of Kyivans who participated in the ATO and Heroes of the Sky Hundred in the amount of UAH 25 thousand (UAH 5 thousand in the year 2016) and for 24,421 ATO participants – UAH 5 thousand (UAH 2,5 thousand in the year 2016).

Expenditures to implement the state policies in youth sphere grew by UAH 92 million.

Structure of expenditures to social security and social welfare by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Social benefits, allowances and subsidies provided	4,012	6,978	74%	86%	89%	7,080	99%
The provision of social services to certain categories of citizens of Kyiv by social security and support institutions	518	638	23%	11%	8%	681	94%
Social protection activities	118	242	105%	3%	3%	252	96%
Total	4,648	7,858	69%	100%	100%	8,013	98%



Expenditures: Social Security and Social Care (continued)

Structure of expenditures to social security and social care by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Social benefits, allowances and subsidies provided	4,012	6,978	74%	86%	89%	7,080	99%
Allowances for housing and utility bills to military, law enforcement, tax police, fire protection service, penitentiary service, and civil defence veterans for housing and utility bills and purchases of solid domestic fuel	1,045	2,607	149%	22%	33%	2,607	100%
New-born benefit	1,407	1,495	6%	30%	19%	1,515	99%
Reimbursement of electric transport travel allowances ¹	481	743	54%	— ¹	9%	743	100%
Government social benefits to people with childhood disabilities and disabled children	317	390	23%	7%	5%	411	95%
Other social protection expenditures for general population	283	306	8%	6%	4%	346	88%
Allowances to war veterans, persons subject to the Law of Ukraine "On the Status of War Veterans and their Social Protection", persons with outstanding service to the nation, widows/widowers and parents of deceased citizens for housing and utility bills	227	301	33%	5%	4%	301	100%
Other social protection expenditures for war and labour veterans	143	238	66%	3%	3%	241	99%
Single mother child benefits	122	135	11%	3%	2%	138	98%
Allowances to Chernobyl victims for housing and utility bills	102	134	31%	2%	2%	134	100%
Reimbursement of motor transport travel allowances ¹	97	116	20%	— ¹	1%	117	99%
Government social assistance to disadvantaged households	98	110	12%	2%	1%	112	98%
Allowances to military and others veterans for housing and utility bills	78	113	45%	2%	1%	113	100%
Money compensation for proper living space for families of deceased persons, as well as ATO participants ¹	67	89	33%	— ¹	1%	90	99%
Others	190	201	6%	4%	3%	212	95%
The provision of social services to certain categories of citizens of Kyiv by social security and support institutions	518	638	23%	11%	8%	681	94%
Nursing homes for senior citizens and disabled persons accountable to social protection agencies	170	221	30%	4%	3%	243	91%
Community social service centres	157	165	5%	3%	2%	168	98%
Other institutions and establishments	63	88	40%	1%	1%	94	94%
Foster homes for minors with disabilities	36	74	106%	<1%	<1%	78	95%
Maintenance of social service centres for families, children and youth	27	40	48%	<1%	<1%	41	98%
The Kyiv Centre for Social, Professional and Labour Rehabilitation of Disabled Persons	3	38	H.3.	<1%	<1%	44	86%
Others	62	12	-81%	1%	<1%	13	92%
Social protection activities	118	242	105%	3%	3%	252	96%
Social programs and activities of government agencies for youth	3	95	H.3.	<1%	1%	101	94%
Processing data on accrual and payment of benefits and compensations	40	52	30%	<1%	<1%	54	96%
Health promotion and recreation of children	37	47	27%	<1%	<1%	47	100%
Other expenditures	29	33	14%	<1%	<1%	34	97%
Others	9	15	67%	<1%	<1%	16	94%
Total	4,648	7,858	69%	100%	100%	8,013	98%

¹ The item is not included in total amount for 2016. In 2016, the item was in Expenditure Group "Transport, Road Facilities, Communication, Telecommunications, and Information Services" and "Construction".

² Including to persons covered by the Law of Ukraine "On the Status of War Veterans and Guarantees of Their Social Security", widow (widowers), and parents of the deceased (perished) persons, children of war who have specific merits (including specific labor) before the Motherland, victims of Nazi harassment and rehabilitated citizens who became disabled as a result repressions or are pensioners.

³ Including spouses and guardians (for the period of guardianship) of children of deceased persons whose deaths are related to the Chernobyl disaster.

Source: KCSA

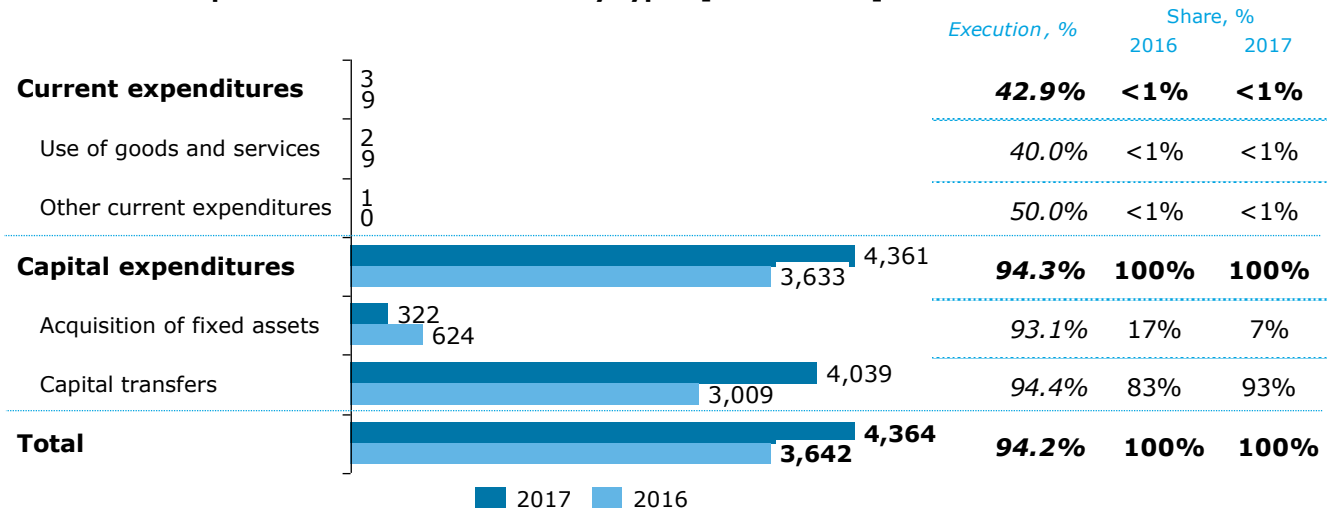


Expenditures: Construction

In 2017, expenditures to construction increased by UAH 722 million.

In 2017, expenditures of the Special Fund amounted to UAH 4.4 billion, which represented 100% of total expenditures.

Structure of expenditures to construction by types [UAH million]



An increase in expenditures to construction was mainly due to the increased expenditures for implementation of investment development activities (+UAH 595 million), as well as the increased number of restoration works, construction and reconstruction of comprehensive education institutions (+UAH 423 billion).

Large-scale projects financed within the construction group are discussed on the next page. In particular, at the cost of funds on implementation of investment development activities, the works were performed on liquidation of the emergencies that took place at the Livoberezhnyi South sewage collector (UAH 3.5 million) and in residential building # 70 in Holosiivskyi avenue (UAH 16.8 million), as well as the works related to creation and maintenance of ASCs (UAH 17.9 million) and social and economic development activities (UAH 25.2 million).

Structure of expenditures to construction by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Realization of measures on investment development of the territory	2,479	3,074	24%	68%	70%	3,283	94%
Works of general comprehensive educational institutions	383	806	110%	11%	18%	844	95%
Residential construction and purchase of housing for specialized hospitals	80	153	91%	2%	4%	154	99%
Housing construction and purchase of houses for certain categories of population	579	144	-75%	16%	3%	153	94%
Works at specialized educational institutions	12	63	425%	<1%	1%	67	94%
Construction and development of the subway	88	52	-41%	2%	1%	53	98%
Preservation, development, reconstruction and restoration of historical and cultural monuments	11	44	300%	<1%	1%	47	94%
Works at general hospitals	-	22	-	-	<1%	22	100%
Development of schemes and design solutions for mass application	9	3	-67%	<1%	<1%	5	60%
Work at out-of-school educational institutions	-	2.0	-	-	<1%	1.6	125%
Payment of compensation for reducing the cost of housing construction for youth housing complexes	0.5	0.5	0%	<1%	<1%	1.5	33%
Total	3,642	4,364	20%	100%	100%	4,631	94%

Source: KCSA



Expenditures: Construction (continued)

The largest volumes of financing in 2017 (at the cost of all sources of financing) on items of social and engineering-transport infrastructure [UAH million]

Construction project	Sector	Budgeted cost, UAH million	as at 31.12.2017 ¹	Execution	Financing in 2017 ²	Execution in 2017
Construction of the Podilsky bridge over the Dnipro	Transport	11,251	4,018	36%	1,104	97%
Construction of the access road from Chervonozyryany avenue (near the adjoining of the Kirovogradskaya street) to the MA "Kyiv" (Zhulyany)	Transport	737	538	73%	195	100%
Reconstruction of Prospekt Peremohy	Transport	441	400	91%	63	100%
Reconstruction of the prospectus of Nikolai Bazhan in Darnytsky district of Kyiv	Transport	388	272	70%	91	100%
Construction of the Great Circular Road at the site of the avenue. Marshal Rokossovsky to the street. Bogatyrskaya with the construction of transport interchanges at different levels	Transport	411	219	53%	190	100%
Reconstruction of the transport hub at the intersection of Peremohy Avenue from the street. Danylo Shcherbakivsky, departures to the overpass at the intersection of Prospekt. Academician Palladin	Transport	221	148	67%	190 ³	89%
Reconstruction of tram crossings in places of intersection with the road section of the street and road network of Kyiv	Transport	180	75	42%	64	100%
Construction of the Second thread of the main city sewer collector in Kyiv	Utilities	1,263	1,141	90%	204	100%
Construction of the Southwest sewer collector in Kyiv	Utilities	1,084	499	46%	104	86%
Reconstruction and modernization of elevators in residential buildings	Utilities	740	369	50%	123	100%
Reconstruction of the recreation park "Obolon" in the tract "Natalka" on the Obolonsky embankment	Utilities	110	81	74%	79	90%
Reconstruction of the heat supply line No. 1 of CHP-5 in the area from the heat chamber 624 to the heat chamber 628	Utilities	78	65	83%	65	99%
Construction of a secondary comprehensive school on the corner of Lebedev-Kumacha St. and Zemlyachka str.	Education	231	229	99%	133	100%
Construction of a comprehensive school with a swimming pool on the railway Osokorky, 10, micron. Business 65.66	Education	443	173	39%	141	100%
Construction of the lyceum on 22 classes at the site number 13 in the sixth residential area of Osokorky-North	Education	132	119	90%	107	100%
Construction of a kindergarten, Poznany municipality, office 15, d.15	Education	119	109	91%	108	91%
Reconstruction of the reception and specialized departments of the Kyiv City Clinical Hospital No. 12	Healthcare	459	168	37%	66	100%
Reconstruction of buildings of Kyiv city perinatal center - a structural subdivision of the Kyiv City Center for Reproductive and Perinatal Medicine	Healthcare	140	73	52%	66	100%
Purchase of housing for regulars of apartment and social apartment registration	House-building	127	127	100%	127	100%
Reconstruction with the annex of non-residential premises for placing the center of social services on the street. Hanna Yuri, 14-B	Social protection	77	76	99%	65	100%

¹ The amount of financing from the beginning of work on the object on 12 December 2017.

² Amount of financing in 2017.

³ Including financing from the State Budget in the amount of UAH 50 million

Source: KCSA

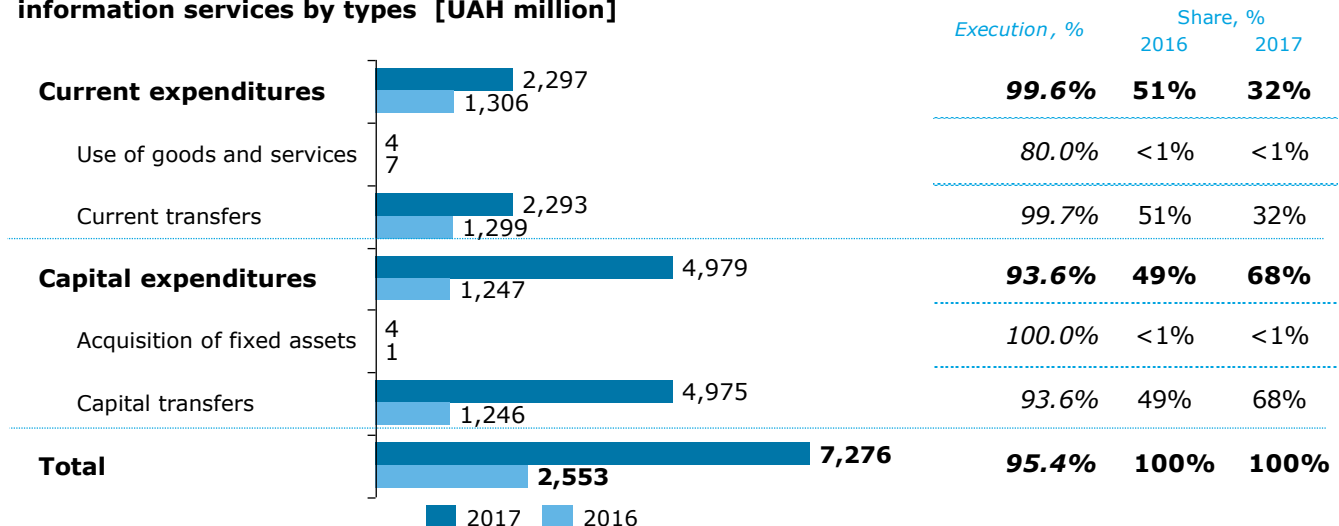


Expenditures: Transport, Road Facilities, Communication, Telecommunications and Information

In 2017, expenditures increased by UAH 4.7 billion, or by 185%.

In 2017, the General Fund's expenditures amounted to UAH 2.3 billion, which was 32% of total expenditures. The Special Fund's expenditures reached UAH 5 billion, or 68% of total expenditures.

Structure of expenditures to transport, road facilities, communication, telecommunications, and information services by types [UAH million]



In 2017, a significant growth in expenditures to transport, road facilities, communication, telecommunications, and information services was mainly due to the increased expenditures on maintenance and road infrastructure development (+UAH 1.9 billion) and at the cost of the increased expenditures to other activities in the sphere of electric transport (+UAH 1.6 billion).

Funds on the Item "Other Activities in the Sphere of Electric Transport" were directed to ME "Kyivpastrans" and ME "Kyivskiy Metropolitan" to repay borrowings from EBRD, perform capital repairs, and renew the rolling stock, as well as proper execution of the activities on preparation and holding Song Contest "Eurovision-2017".

Also, to perform activities on the implementation of Special Purpose Municipal Program "Electronic Capital City", in particular, to improve the "Single Web-Portal of the Territorial Community of Kyiv", to create the information and analytical system "Electronic Medicine" and other information system, the funding was increased by UAH 477 million (+426%).

Structure of expenditures to transport, road facilities, communication, telecommunications, and information services by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Other activities in electric transport	790	2,380	201%	31%	33%	2,385	100%
Maintenance and development of road infrastructure	-	1,944	-	<1%	27%	2,004	97%
Regulation of municipal public electric transport travel fares	363	675	86%	14%	9%	675	100%
Implementation of measures in the framework of an experiment on the development of public roads, as well as road infrastructure in Kyiv	-	643	-	<1%	9%	831	77%
National Informatization programme	112	589	426%	4%	8%	641	92%
Other activities in motor transport	124	419	238%	5%	6%	425	99%
Regulation of municipal public motor transport travel fares	120	268	123%	5%	4%	270	99%
Motor roads construction, repair and maintenance expenditures	388	170	-56%	15%	2%	209	81%
Regulation of prices for metro services	-	150	-	<1%	2%	150	100%
Activities and services that are not assigned to other categories	77	36	-53%	3%	<1%	36	100%
Total¹	2,553	7,276	-	-	100%	7,626	95%

¹ The item "Total" for 2016 includes the items of expenses "Compensatory Payments for Privilege Transportation by Motor and Electric Transport to Certain Categories of Citizens". In 2017, these items of expenditure were in the group of expenses "Social Security and Care".
Source: KCSA



Expenditures: Housing and Utilities

In 2017, volume of housing and utility financing increased by 25% (or by UAH 661 million).

In 2017, the General Fund's expenditures amounted to UAH 1.1 billion, which was 33% of total expenditures. Expenditures of the Special Fund amounted to UAH 2.2 billion, or 67% of total expenditures.

Structure of expenditures to housing and utilities by types [UAH million]

		Execution, %	Share, % 2016	Share, % 2017
Current expenditures		92.5%	63%	53%
Use of goods and services	1,718 1,624	41.7%	<1%	<1%
Current transfers	1,717 1,624	92.5%	63%	53%
Capital expenditures		90.4%	37%	47%
Acquisition of fixed assets	400 208	94.6%	8%	12%
Capital transfers	1,141 766	89.0%	29%	35%
Total	3,259 2,598	91.5%	100%	100%

A growth in expenditures to housing and utilities in 2017 was caused by the increased expenditures to capital repairs of housing stock (including by associations of co-owners of multi-apartment buildings) by 119% (+UAH 488 million).

Also, the expenses were added that related to repayment of the difference between the actual value of utilities and tariffs approved by local government authorities of UAH 652 million and which were fully financed from the local budget due to the absence of funding under the planned subvention from the state.

Structure of expenditures to housing and utilities by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Urban amenities	1,317	1,093	-17%	51%	34%	1,175	93%
Capital repairs of local government authorities' residential property fund	349	763	119%	13%	23%	836	91%
Repayment of outstanding balances for tariffs compensation ¹	-	652	-	<1%	20%	745	88%
Housing and public utility subventions	686	379	-45%	26%	12%	383	99%
Provision of collection and removal of garbage and waste, reliable and uninterrupted operation of sewage systems	-	115	-	<1%	4%	142	81%
Housing management facilities	38	103	171%	1%	3%	112	92%
Capital repairs of residential property fund of apartment buildings co-owners associations	24	98	308%	<1%	3%	108	91%
Housing and public utility municipal entities ²	184	40	-78%	7%	1%	43	93%
Financial support of communal facilities	-	10	-	<1%	<1%	11	91%
Project, construction and repair works, the purchase of housing and facilities for the development of families and the provision of housing for orphans (including those deprived of parental care)	-	6	-	<1%	<1%	8	75%
Total	2,598	3,259	25%	100%	100%	3,563	91%

¹ Including centralized water supply and discharge produced, transported, and supplied to households.

² Including district production associations and other utility entities, institutions, and organizations.

Source: KCSA

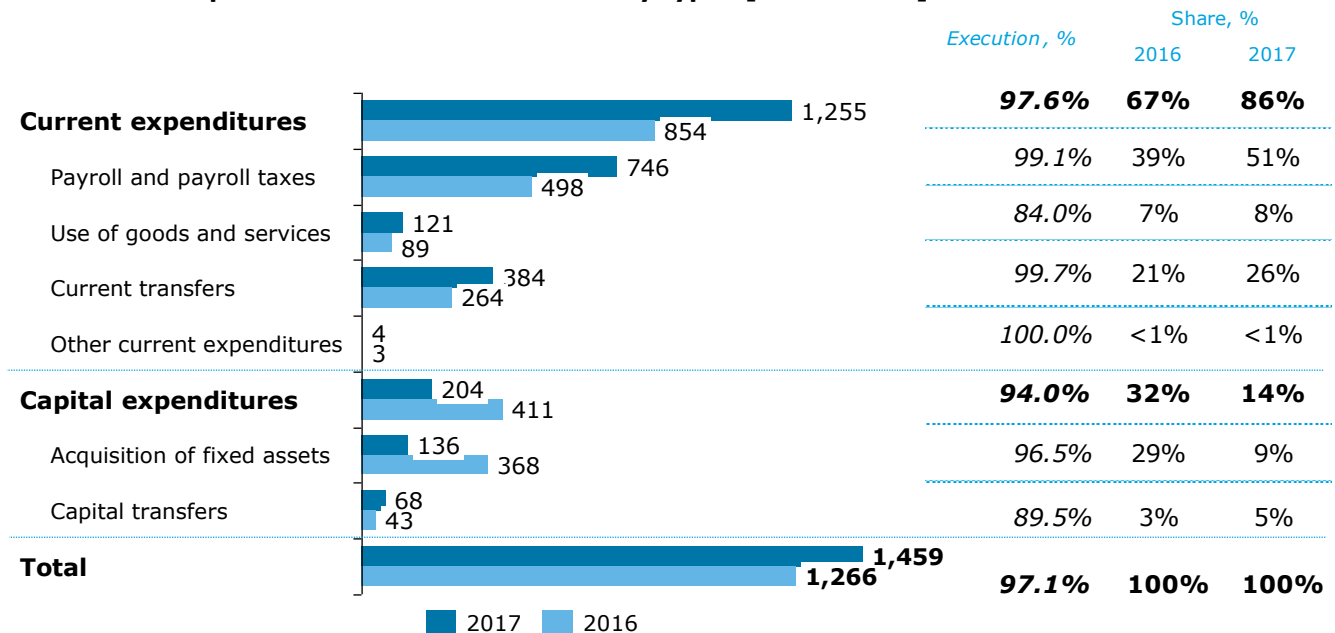


Expenditures: Culture and Arts

Expenditures to maintenance and operation of cultural and art institutions increased by UAH 193 million.

In 2017, the General Fund's expenditures amounted to UAH 1.2 billion, which was 82% of total expenditures in the sector. Expenditures of the Special Fund amounted to UAH 0.3 billion, or 18% of total expenditures.

Structure of expenditures to culture and arts by types [UAH million]



An increase in expenditures to culture and arts in 2017 was caused by the increased expenditures to labor costs (+UAH 248 million) and due to the grown current transfers (+UAH 120 million). In particular, to support municipal theater and concert facilities, expenditures were made in the amount of UAH 336 million. At the same time, reduced expenditures on the purchase of capital stock were mostly connected with the inclusion into this item of expert monetary valuations of land plots and properties in the amount of UAH 70 million (in 2016, expert monetary valuations of land plots and properties were also held and amounted to UAH 290 million).

A growth in expenditures was also related to the increased expenditures to spiritual and aesthetical nurture of children in the amount of UAH 173 million (+52%) due to opening of a new school.

Average monthly salary of employees in the sector for the reporting period amounted to UAH 8,500 (2016: UAH 5,928).

Structure of expenditures to culture and arts by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Aesthetic education school for children	334	507	52%	26%	35%	523	97%
Theaters	228	279	22%	18%	19%	280	100%
Museums and exhibitions	400	204	-49%	32%	14%	210	97%
Libraries	143	185	29%	11%	13%	196	94%
Other cultural and educational institutions and activities	80	138	73%	6%	9%	145	95%
Philharmonics, musical bands and ensembles, other artistic institutions and events	59	105	78%	5%	7%	106	99%
Palaces and houses of culture, clubs and other club establishments	19	36	89%	2%	2%	38	95%
Cinematography	3	5	67%	<1%	<1%	5	100%
Total	1,266	1,459	15%	100%	100%	1,503	97%

¹ Included social security and other current expenditures
Source: KCSA



Expenditures: Culture and Arts (continued)

During 2017, there was no significant change in the number of establishments of cultural and art institutions. The number of library users decreased by 7%, and theaters and philharmonic and other music institutions – increased by 7% and 10%, respectively. With the general increase in the number of users of cultural and art institutions by 3%, the average cost per user grew by 11%.

Institutions and activities financed from the budget of the city of Kyiv

	Number of institutions as at the year-end			Number of visitors / spectators/readers, persons			Average cost per 1 spectator / visitor in Kyiv's city budget, UAH		
	2016	2017	Change	2016	2017	Change	2016	2017	Change
Museums and exhibitions	22	22	0%	980.5	993.5	1%	408	205	-50%
Aesthetic education schools for children	57	57	0%	23.3	23.2	-1%	14,317	21,862	53%
Theatres	20	20	0%	709.9	760.3	7%	322	368	14%
Libraries	139	139	0%	616.4	572.6	-7%	232	323	39%
Other cultural and educational institutions and activities (zoo, recreational parks etc.)	21	22	5%	2,264.0	2,378.1	5%	35	58	63%
Philharmonics and music bands	9	9	0%	359.7	395.6	10%	163	266	64%
Palaces of culture, culture centres clubs and other cultural institutions of club type	8	8	0%	380.6	381.1	0%	51	95	87%
Cinematography	1	1	0%	5.5	17.5	218%	456	260	-43%
Total	277	278	0%	5,339.9	5,521.9	3%	237	264.2	11%

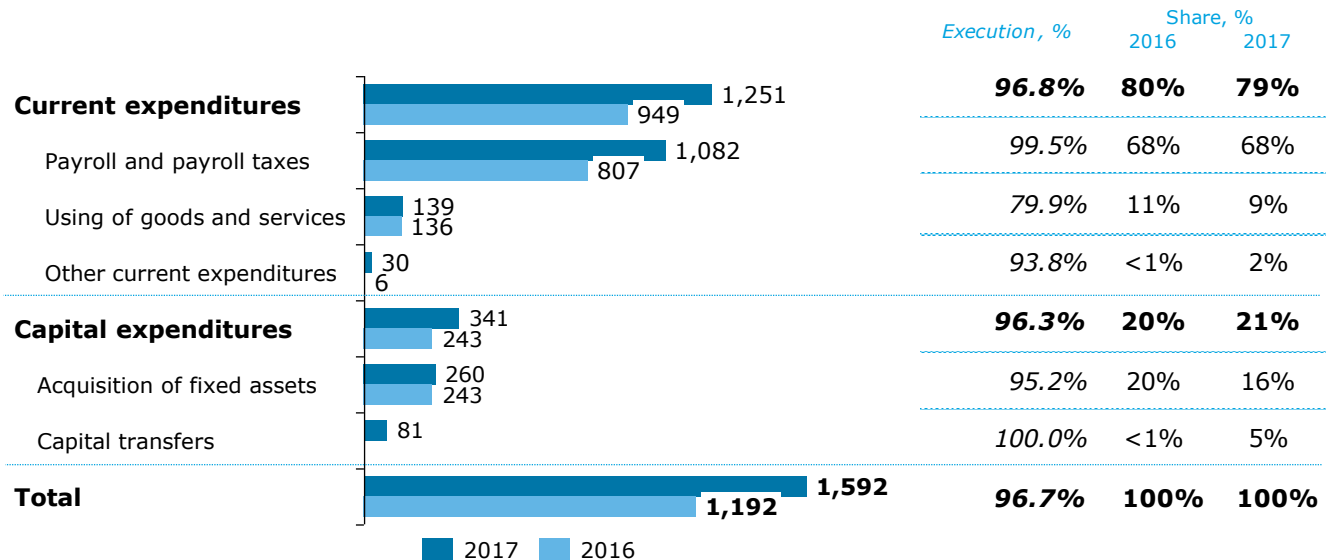


Expenditures: State (Municipal) Management

Expenditures to maintain and operate state (municipal) management institutions increased by UAH 400 million.

In 2017, expenditures of the General Fund amounted to UAH 1.2 billion, which represented 77% of total expenditures. Expenditures of the Special Fund amounted to UAH 0.3 billion or 23% of total expenditures.

Structure of expenditures on state management by types [UAH million]



In 2017, a growth in expenditures on state (municipal) management took place mainly due to the increased expenditures to labor costs and capital transfers. Labor costs (including payroll accruals) grew by 34%, or by UAH 275 million as a result of salary indexation.

A growth in capital transfers was caused the granted capital transfers to Department of Transport Infrastructure.

Structure of expenditures on state management by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Bodies of executive power in Kyiv	1,129	1,506	33%	95%	95%	1,554	97%
Municipal authorities	63	86	37%	5%	5%	93	92%
Total	1,192	1,592	34%	100%	100%	1,647	97%

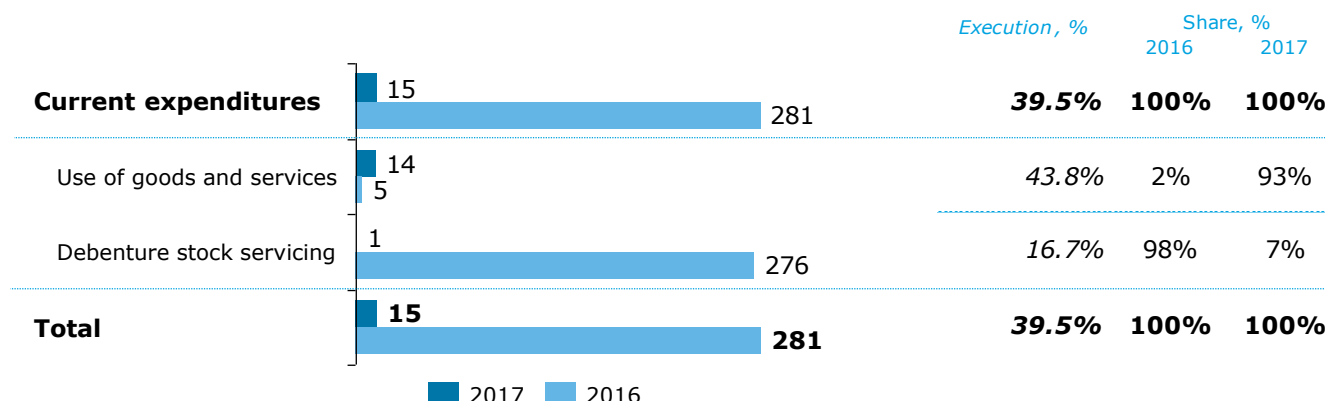


Expenditures: Debt Servicing

In 2017, expenditures on debt servicing decreased by 99%.

In 2017, debt servicing expenditures were made from the General Fund.

Structure of expenditures on debt servicing by types [UAH million]



In 2017, expenditures on debt servicing decreased by 99.6%, or by UAH 266 million. This was due to the fact that, in 2016, the early repurchase was performed of Domestic Local Loan Bonds of the Kyiv City Council Series "H" of the total nominal value of UAH 2,375 million, including, in 2016, for UAH 948.7 million, and the early repurchase was performed of Domestic Local Loan Bonds of the Kyiv City Council Series "G" of the total nominal value of UAH 1,915 million.

The structure of debt service costs [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Payment for services (except utility services)	5	14	180%	2%	93%	31	45%
Service of external debt obligations	-	1	-	-	7%	6	17%
Service of internal debt obligations	276	-	-	98%	-	-	-
Total	281	15	-95%	100%	100%	38	39%

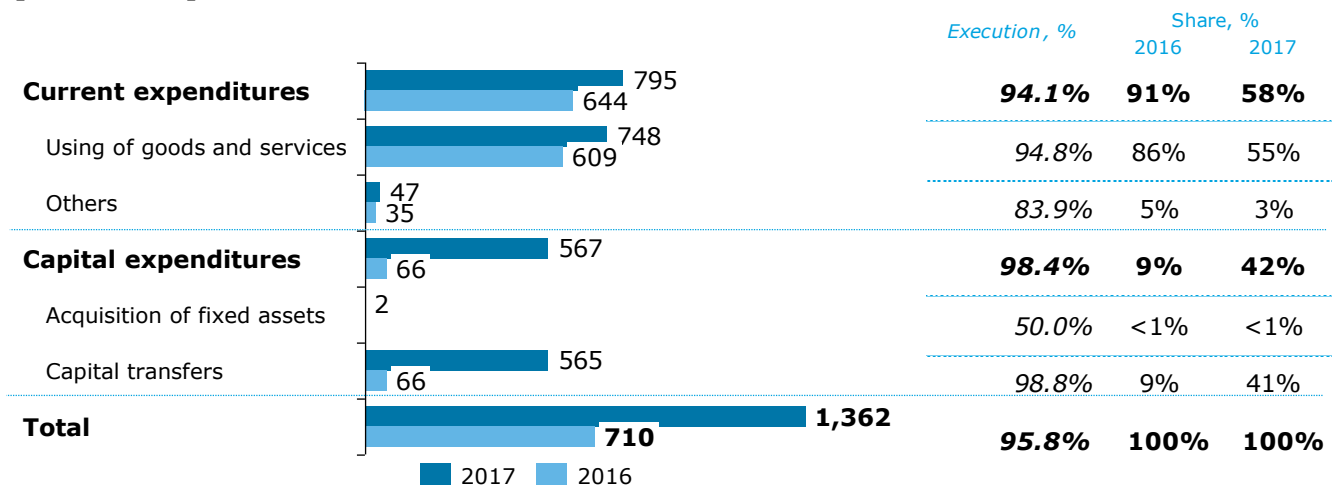


Expenditures: Other Services Related to Economic Activities

Expenditures to other services related to economic activities grew by 92%, or by UAH 652 million.

In 2017, expenditures of the General Fund amounted to UAH 795 million, which represented 58% of total expenditures. Expenditures of the Special Fund were UAH 567 million, or 42% of total expenditures.

Structure of expenditures to other services related to economic activities by types
[UAH million]



In 2017, a growth in expenditures was caused by the increased capital transfers by 756% (+UAH 500 million). Such a growth was mainly related to the replenishment of statutory capital in ME "Financial Company "Zhytlo-Invest" by UAH 500 million pursuant to Resolution of the Kyiv City Council # 721/2883 dated 6 July 2017.

Structure of expenditures to other services related to economic activities by functions
[UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Other actions related to economic activities	667	813	22%	94%	60%	855	95%
Contributions of government and municipal authorities to authorized capitals of business entities	42	534	n.s.	6%	39%	534	100%
Financing energy-saving measures	1	13	n.s.	<1%	<1%	17	76%
Support for small and medium businesses	0.4	2.0	400%	<1%	<1%	14.7	14%
Total	710	1,362	92%	100%	100%	1,421	96%

Other actions related to economic activities [UAH million]

	2016	2017	Change	Share 2016	Share 2017
On ensuring the fulfillment of obligations of the Kyiv City Council to the state for repayment of debts to the state	598	720	20%	90%	89%
On expenditures related to servicing and repayment of Loan agreement between Municipal enterprise (ME) "Group for implementation projects of energysaving in administrative and social building City Kyiv" and Nordic Environment Finance Corporation (NEFCO)	37	40	8%	6%	5%
Others	32	53	66%	5%	7%
Total	667	813	22%	100%	100%

Contributions to statutory capital of business entities [UAH million]

ME KP "Financial company" Zhitlo-invest "	500
ME "Motor transport enterprise of the executive body of the Kyiv city council"	22
ME "Municipal guard"	3
ME "Sport complex" Start "	10
Total	534

¹ including current transfers and other expenses
Source: KCSA



Expenditures: Special Purpose Funds

The procedure for using special purpose funds is governed by the "Regulation on Creating and Using Special Purpose Funds of Kyiv's City Budget in 2017" (Annex 8 to Resolution of the Kyiv City Council "On Kyiv's City Budget for 2017" # 554/1558 dated 12 December 2016).

Structure of expenditures of special purpose funds by types [UAH million]

		Execution, %	Share, % 2016	Share, % 2017
Current expenditures	264	95.7%	67%	75%
Current transfers	210	96.1%	67%	49%
Other current expenditures	91	100.0%	-	26%
Capital expenditures	87	84.5%	33%	25%
Acquisition of fixed assets	103	-	8%	-
Capital transfers	25	84.5%	25%	25%
Total	351	92.6%	100%	100%

In 2017, expenditures of special purpose funds increased by 12% (or by UAH 38 million) due to the growth in other current expenditures by UAH 91 million that were directed to fulfill the decision of the Commercial Court in the city of Kyiv in favor of LLC "Project Company "Yarus".

A key item of special purpose funds' expenditures referred to works and activities on municipal improvement, including repairs of the City's roads.

Structure of expenditures of special purpose funds by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Special-purpose funds formed by local self-government bodies and local executive authorities	284	284	0%	91%	81%	297	96%
Protection and rational use of natural resources	25	65	160%	8%	19%	74	88%
Other activities in the field of environmental protection	2	1	-50%	<1%	<1%	2	50%
Waste disposal	-	1	-	-	<1%	6	17%
Elimination of other environment pollution	2	-	-	<1%	-	-	-
Total	313	351	12%	100%	100%	379	93%

Expenditures of special purpose funds [UAH million]

	2016	2017	Change	Share 2016	Share 2017
Works and activities related to the improvement and greenery of the city	212	161	-24%	75%	57%
Implementation of the decision of the Kyiv City Economic Court to the benefit of LLC "Design Company "Yarus"	-	91	-	0%	32%
Providing order of advertising in the field of outdoor advertising in the city of Kyiv	28	32	14%	10%	11%
Others	44	-	-	15%	0%
Total	284	284	0%	100%	100%

¹ Of which UAH 110 million in 2016 and UAH 112 million in 2017 were directed to maintenance and current repairs of the City's roads.

Source: KCSA

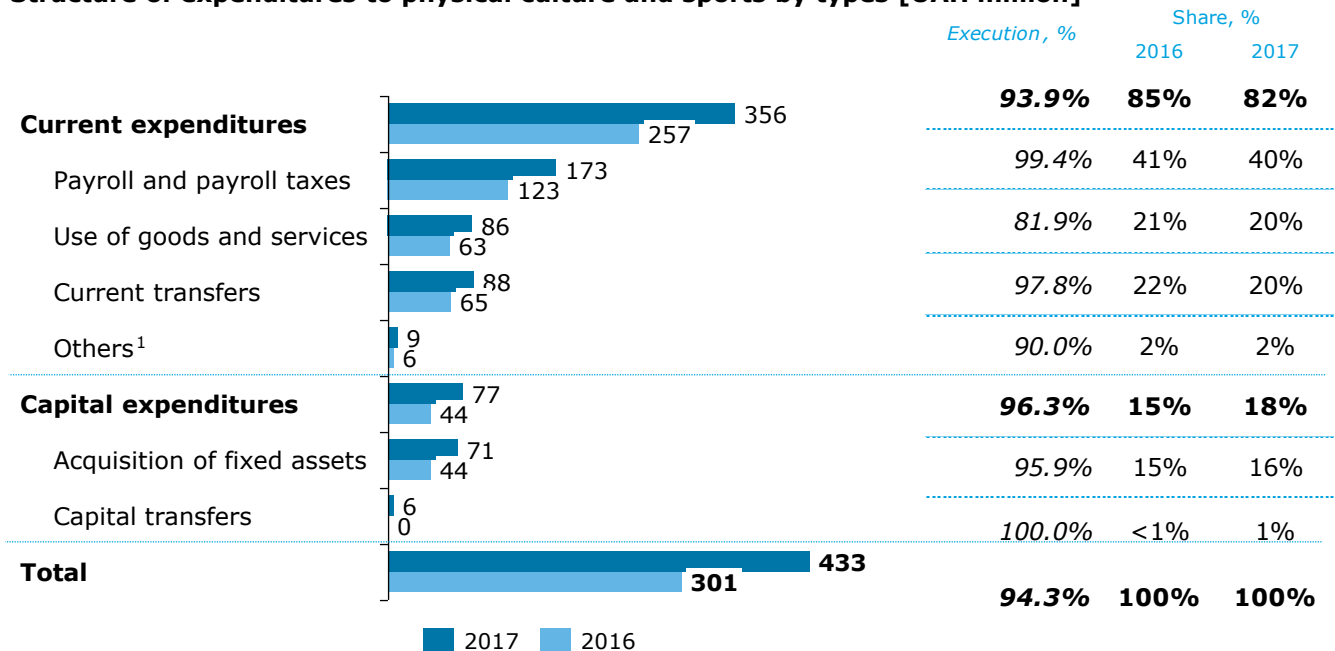


Expenditures: Physical Culture and Sports

Expenditures to maintain and operate physical education and sports facilities increased by 44% (or by UAH 133 million).

In 2017, the General Fund's expenditures amounted to UAH 348 million, which was 80% of total expenditures. Expenditures of the Special Fund amounted to UAH 85 million, or 20% of total expenditures.

Structure of expenditures to physical culture and sports by types [UAH million]



A growth in expenditures in 2017 mainly related to the increased labor costs (including payroll accruals) by 41% (+UAH 50 million) and the increased expenditures on capital stock by 75% (+UAH 27 million).

To improve material and technical facilities of physical culture and sports institutions, the budget spent UAH 23 million. And expenditures of UAH 48 million were made to perform capital repairs in 16 physical culture and sports institutions and organizations.

Structure of expenditures to physical culture and sports by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Maintenance and training work of children's and youth sports schools	165	234	42%	55%	54%	242	97%
Maintenance and training work of children's and youth sports schools that are subordinated to public organizations	48	64	33%	16%	15%	64	100%
Providing training for athletes of higher categories	34	41	21%	11%	9%	50	82%
Financial support of sports facilities	14	28	100%	5%	6%	31	90%
Ensuring the activities of local centers of physical health of the population "Sport for All" and conducting physical culture events among the population of the region.	6	18	200%	2%	4%	19	95%
Other expenditures	34	48	41%	11%	11%	53	91%
Total	301	433	44%	100%	100%	459	94%

¹ including social security charges and other expenses



Expenditures: Physical Culture and Sports (continued)

During 2017, there were no significant changes in the number of establishments of institutions of physical culture and sports. However, the total average number of students who attended (by 6% or 2,043 persons) and the total number of the events/competitions held (by 35% or 860 units) increased. The highest dynamics in these indicators was shown by schools of higher sportsmanship (+ 9% and + 283%, respectively).

Facilities and activities that are financed from the budget of the city of Kyiv

	Number of institutions as at the year-end		Average number of students			Number of events/competitions			Average annual expenditures per student/event/institution ¹ , UAH thousand		
	2016	2017	2016	2017	Change	2016	2017	Change	2016	2017	Change
Children's and youth athletic schools	59	60	26,286	27,784	6%	1,307	1,686	29%	6.3	8.4	35%
Children's and youth athletic schools operated by non-government sports organisations	29	28	7,706	8,226	7%	-	-	-	6.2	7.8	26%
Athletic facilities	2	2	-	-	-	-	-	-	6,984	14,063	101%
Higher sportsmanship schools	2	2	269	294	9%	128	490	283%	126	141	12%
Community sports centres and events	2	2	-	-	-	347	383	10%	3,268	8,760	168%
The Kyiv City Centre for Sports and Athletics for Disabled Persons "Invasport"	1	1	-	-	-	-	-	-	4,707	2,927	-38%
Central accounting costs	1	1	-	-	-	-	-	-	1,961	2,107	7%
Athletic meets and competitions	-	-	-	-	-	459	491	7%	15	28	90%
Athletic meets and competitions for athletes with disabilities	-	-	-	-	-	90	133	-	14	6	-56%
Non-Olympic athletic meets and competitions	-	-	-	-	-	108	116	7%	11	19	67%
Total	96	96	34,261	36,304	6%	2,439	3,299	35%	-	-	-

¹ Average expenses are calculated for 1 pupil for children's and youth schools (including subordinate public organizations) and schools of higher sports skills. The average cost per event is calculated for training and competition (including for disabled sports and non-Olympic sports). The average cost per 1 facility is calculated for sports facilities, "Sport for All" centers and centralized accounting.

Source: KCSA



Expenditures: Non-Attributable to Major Groups

Expenditures non-attributable to major groups (unallocated) increased by 72% (or by UAH 130 million).

In 2017, the General Fund's expenditures amounted to UAH 290 million, which was 97% of total expenditures. Expenditures of the Special Fund amounted to UAH 10 million, or 3% of total expenditures of this group.

Structure of unallocated expenditures by types [UAH million]

		Execution, %	Share, %	
			2016	2017
Current expenditures	299	89.0%	82%	97%
Payroll and payroll taxes	12	100.0%	4%	4%
Using of goods and services	31	75.6%	5%	10%
Current transfers	151	95.0%	58%	49%
Social security	16	84.2%	14%	5%
Other current expenditures	89	84.0%	<1%	29%
Capital expenditures	10	58.8%	18%	3%
Acquisition of fixed assets	1	100.0%	18%	<1%
Capital transfers	9	56.3%	<1%	3%
Total	309	77.8%	100%	100%

■ 2017 ■ 2016

The largest part of expenditures referred to the expenditures spent by deputies of the Kyiv City Council on resolving social and economic issues, implementing the election campaign programs and mandates of voters of UAH 88 million (or 25%). Expenditures to this item grew by UAH 11 million.

The Special Purpose Municipal Program on Preventing and Combatting Crimes in the city of Kyiv "Safe Capital City" took UAH 82 million (or 23%), which was by 73% (+UAH 52 million) more than in the prior period.

To repay debts under court judgments in respect of the Kyiv City Council, UAH 87 million was spent.

Structure of unallocated expenditures by functions [UAH million]

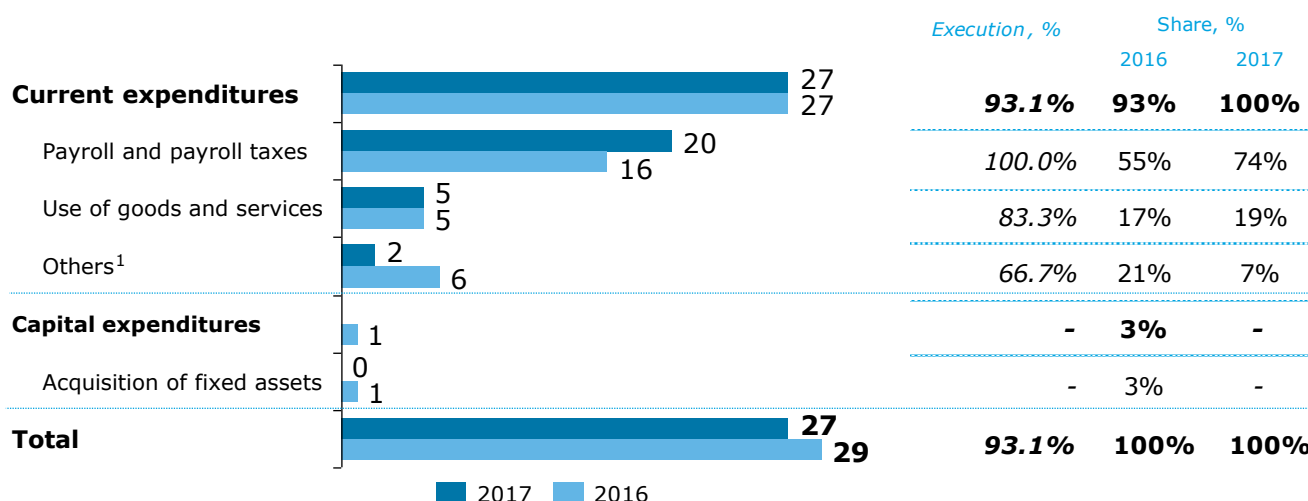
	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Other expenditures	152	292	92%	85%	94%	333	88%
Repayment of interests for using of long-term preferential loans for construction (reconstruction) and purchases of housing for young families and other socially vulnerable categories of citizens	24	15	-38%	13%	5%	18	83%
Expenditures for covering other debts that arose in previous years	2	1	-50%	1%	<1%	1	100%
Expenditures related to the providing and servicing of preferential long-term loans granted to citizens for the construction (reconstruction) and purchases of housing	0.7	0.5	-29%	<1%	<1%	0.6	83%
Undistributed expenditures	-	-	-	-	-	44	-
Total	179	309	73%	100%	100%	397	78%



Expenditures: Agriculture, Forestry, Fishery, and Hunting

In 2017, the General Fund's expenditures amounted to UAH 16 million, which was 58% of total expenditures. Expenditures of the Special Fund amounted to UAH 11 million, or 42% of total expenditures in this sector.

Structure of expenditures to agriculture, forestry, fishery, and hunting by types [UAH million]



In 2017, expenditures by this sector decreased by UAH 2 million due to the abandoned funding to forestry and hunting (in 2016: UAH 4 million).

Expenditures grew in part of laboratory and diagnostics, as well as medical and preventive works, maintenance of veterinary hospitals and laboratories due to the increased expenditures to labor costs and payroll accruals.

Expenditures to land planning in 2017 amounted to UAH 622.3 thousand, which was by UAH 546 thousand more than in the prior year.

Structure of expenditures to agriculture, forestry, fishery, and hunting by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Measures for conducting laboratory diagnostic, treatment and preventive maintenance works, maintenance of veterinary hospitals and veterinary laboratories	25	26	4%	86%	96%	28	93%
Land development	0.1	0.6	500%	<1%	2%	1.2	50%
Forestry and hunting	4	-	-100%	14%	0%	-	-
Total	29	27	-7%	100%	100%	29	93%

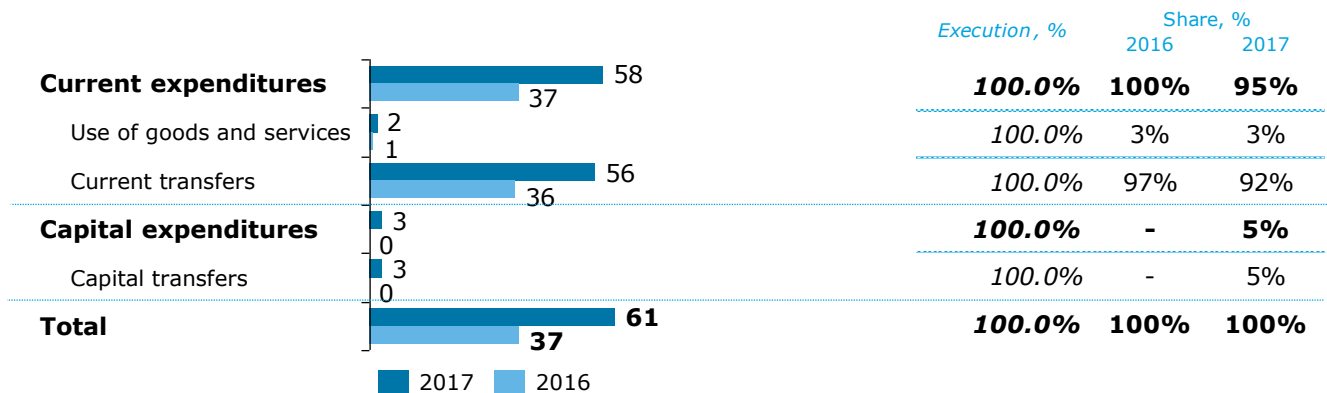
¹ including current transfers, social security and other expenses
Source: KCSA



Expenditures: Mass Media

In 2017, the General Fund's expenditures to mass media amounted to UAH 58 million, which was 95% of total expenditures. Expenditures of the Special Fund amounted to UAH 3 million, or 5% of total expenditures in this sector.

Structure of expenditures to mass media by types [UAH million]



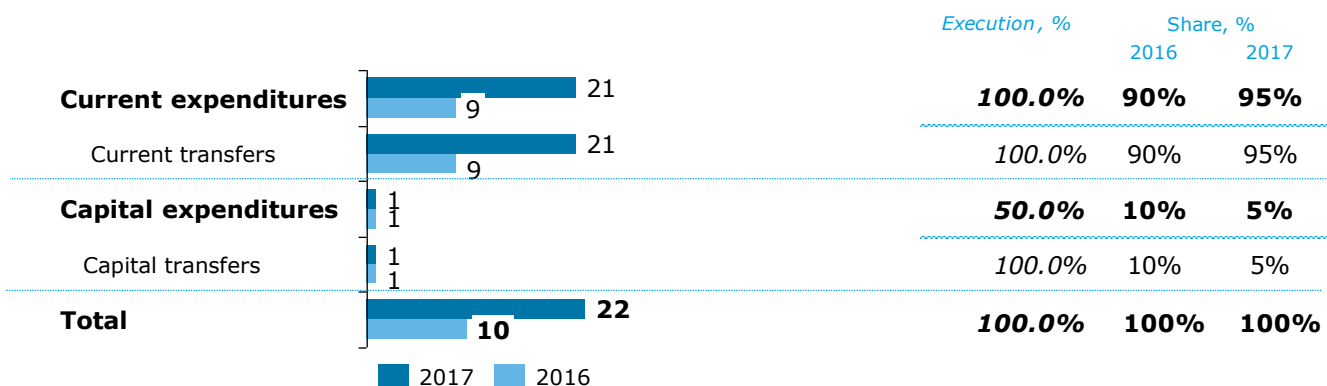
Structure of expenditures to mass media by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
TV and radio broadcasting	29	50	72%	78%	82%	50	100%
Printed media (newspapers and magazines)	7	10	43%	19%	16%	10	100%
Book publishing	1	1	0%	3%	2%	1	100%
Other mass media	0.2	0.4	100%	<1%	<1%	0.4	100%
Total	37	61	65%	100%	100%	61	100%

Expenditures: Emergency Prevention and Response

In 2017, the General Fund's expenditures amounted to UAH 21 million, which was 95% of total expenditures. Expenditures of the Special Fund amounted to UAH 1 million, or 5% of total expenditures in this sector.

Structure of expenditures on prevention and response of emergencies and consequences of natural calamities by types [UAH million]



Structure of expenditures on prevention and response of emergencies and consequences of natural calamities by functions [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Measures to organize rescue on the waters	10	22	120%	100%	100%	22	100%
Total	10	22	120%	100%	100%	22	100%

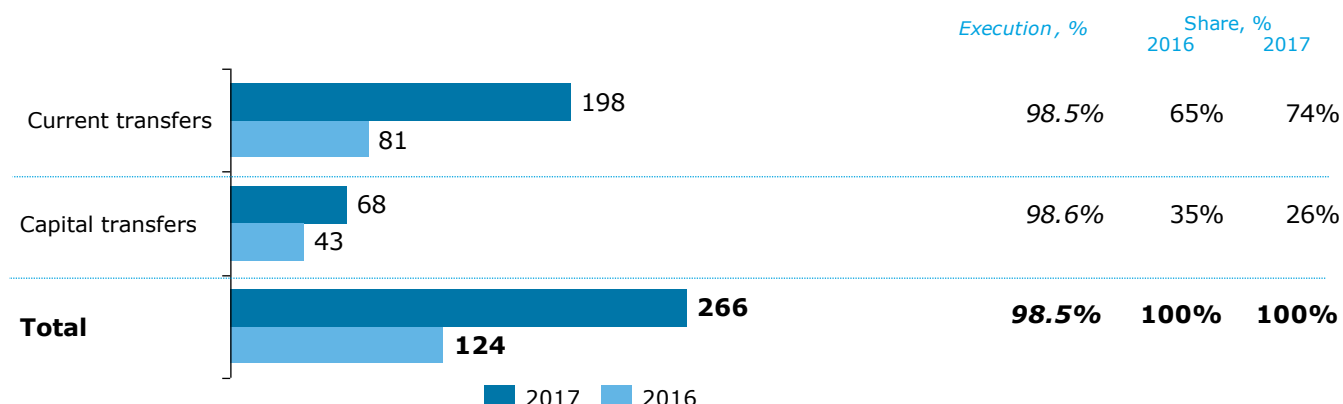


Expenditures: Inter-Budget Transfers

In 2017, inter-budget transfers increased by 114% (or by UAH 12 million).

In 2017, the General Fund's expenditures amounted to UAH 198 million, which was 74% of total expenditures. Expenditures of the Special Fund amounted to UAH 68 million, or 26% of total expenditures in this sector.

Structure of inter-budget transfers [UAH million]



A major portion of the subvention to local budget from the state budget (65%) was directed at ensuring for the preparation and holding in Kyiv of the Song Contest "Eurovision-2017" and amounted to UAH 165.4 million.

Other subventions were spent on capital repairs and construction of roads in the villages of Pidhirtsi and Romankiv, reconstruction of a pre-school and a center for culture and arts in the village of Khosiivka in Kyivska region.

Subsidies were spent on health improvement of children from residential settlements in Kyivska region – UAH 1.5 million, of which:

- Hnidynska Village Council (UAH 100 thousand);
- Revnenska Village Council (UAH 200 thousand);
- Shchaslyvska Village Council (UAH 399 thousand);
- Pidhirtsiyska Village Council (UAH 519 thousand);
- Khodosivska Village Council (UAH 250 thousand).

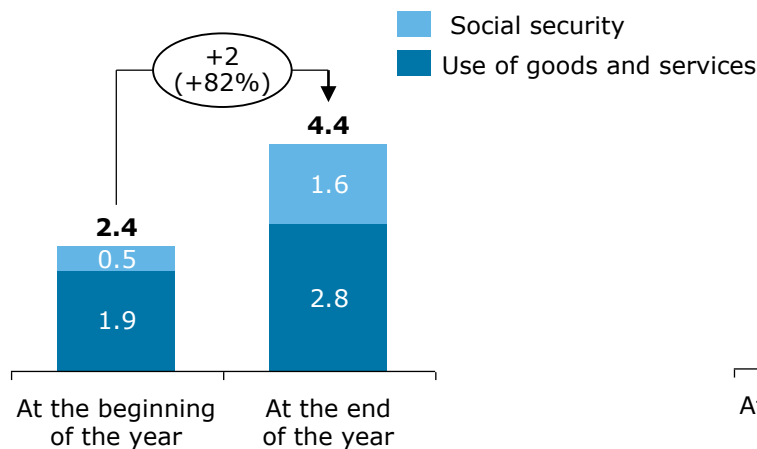
Structure of inter-budget transfers [UAH million]

	2016	2017	Change	Share 2016	Share 2017	Plan 2017	Execution
Subvention from Kyiv's city budget to the government budget to fund socio-economic and culture development programmes of the region	115	256	123%	93%	96%	259	99%
Other subventions for the implementation of the Program of economic and social development of Kyiv	8	9	13%	6%	3%	10	90%
A grant for the rehabilitation of children in settlements of the Kyivska region	1	1	0%	<1%	<1%	1	100%
Total	124	266	115%	100%	100%	270	99%

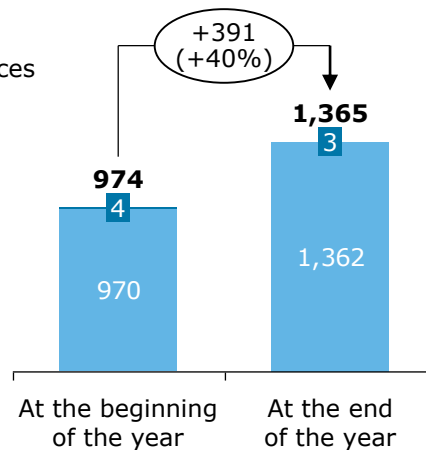


General Fund: Accounts Payable and Receivable

Structure of the General Fund's accounts receivable in 2017 [UAH million]



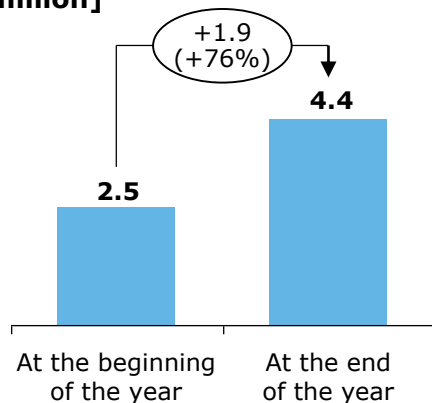
Structure of the General Fund's accounts payable in 2017 [UAH million]



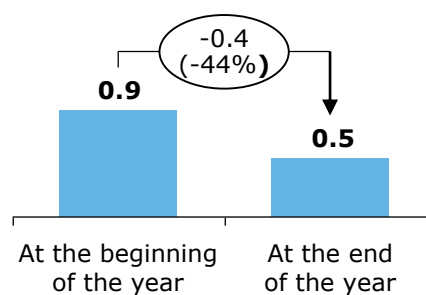
During the year of 2017, the receivables of the General Fund grew by 81%, although its size remained relatively small (4.4 million UAH in 2017). The most significant element in the structure of this receivable is the arrears in the item "Use of Goods and Services". In turn, the largest share of this item was liability for payment of services, debts for the purchase of items, materials, equipment and inventory (total of UAH 1.8 million).

The accounts payable of the General Fund increased by 40%, mainly due to the increase in liabilities for other payments to households (by UAH 392 million).

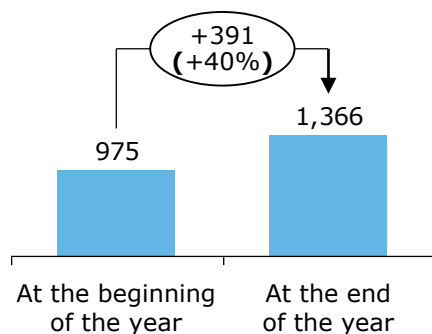
Accounts receivable of the General Fund's expenditures in 2017 [UAH million]



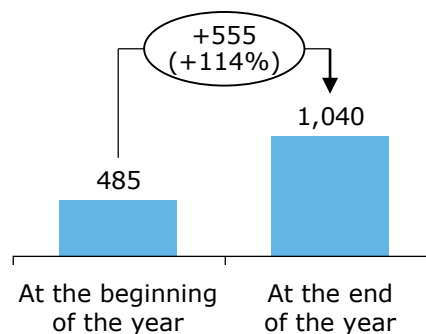
Of which overdue [UAH million]



Accounts payable of the General Fund's expenditures in 2017 [UAH million]



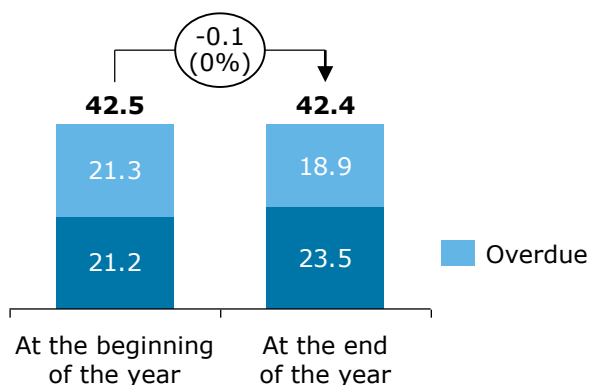
Of which overdue [UAH million]



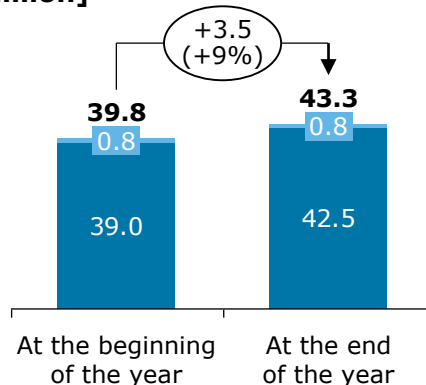


Special Fund: Accounts Payable and Receivable

Accounts receivable on the Special Fund's revenue in 2017 [UAH million]



Accounts payable on the Special Fund's revenue (advances received) in 2017 [UAH million]



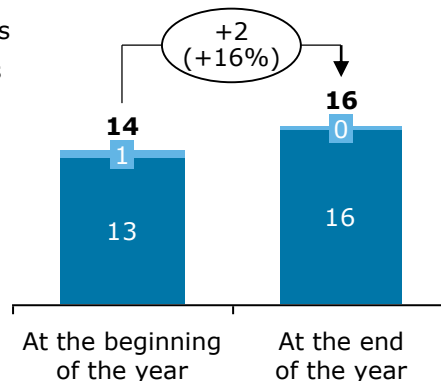
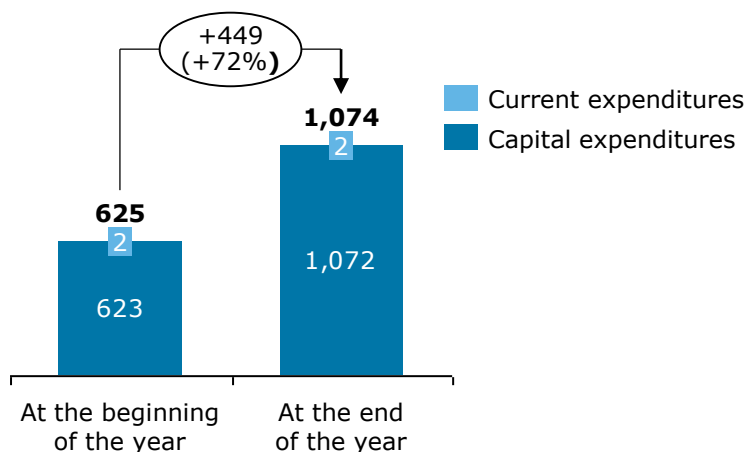
Accounts receivable and payable to the Special Fund revenue in 2017 remained almost unchanged compared to the previous year.

The most significant element in the structure of the accounts receivable of expenses were capital expenditures in the part of capital transfers to enterprises (UAH 1,057 million).

Accounts payable decreased by 7% due to a decrease in debt for capital repair expenses by UAH 5.3 million.

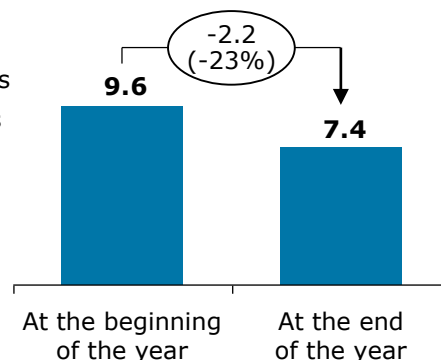
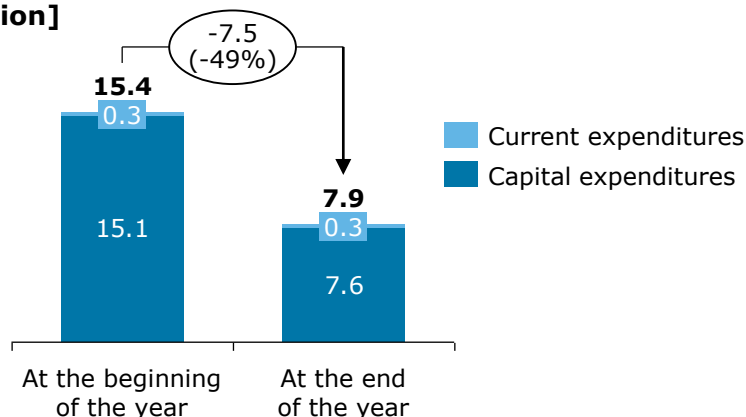
Accounts receivable on the Special Fund's expenditure (advances issued) in 2017 [UAH million]


Of which overdue [UAH million]



Accounts payable on the Special Fund's expenditure in 2017 [UAH million]

Of which overdue [UAH million]



A close-up photograph of two hands shaking in a firm grip, symbolizing a business agreement or partnership. The hands are wearing dark blue suit sleeves with white cuffs. The background is blurred, showing a desk with papers and a pen.

6.5. Local Debt and Guarantees Issued



Local Debt

As at the end of 2017, Kyiv's City debt amounted to UAH 16,380 million (USD 584 million)

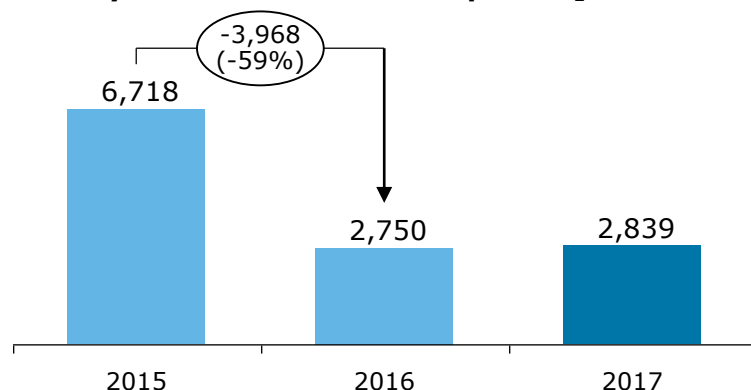
Local borrowings may be attracted with the purpose of financing the development budget (the Special Fund) of the city of Kyiv. Financing is used to create, add, or renovate strategic facilities of long-term use or expense items ensuring the execution of the Kyiv City Council's tasks aimed at satisfying interests of the public and territorial communities of the City.

As of 31 December 2017, total debt of the City comprised:

- Liabilities of the KCSA to the Ministry of Finance that had arisen as a result of restructuring of Eurobonds in 2015 and amounted to USD 351 million (UAH 9,853 million);
- Liabilities to the Treasury of Ukraine on the interest-free borrowing for the amounts failed to be repaid in the amount of estimated volumes of the budget revenue basket for 2013 – UAH 3,688 million;
- Liabilities under Eurobonds (Issue 2005) in the amount of USD 101 million (UAH 2,838 million).

The indicated debt amounts are presented on the chart by the amounts due to foreign lenders, except for liabilities to the Treasury and the Ministry of Finance. In 2016, the City early repurchased Domestic Local Loan Bonds in the total amount of UAH 4,290 million, with the purpose of reducing the amount of domestic local debt and save costs of its servicing.

Kyiv's City debt at the end of the period [UAH million]



Kyiv's City debt denominated in USD was translated to the national currency using the official UAH/USD exchange rates established by the NBU as of 31 December 2016 and 31 December 2017. The debt balance as of 31 December 2016 amounted to USD 101,149 thousand.

The debt balance at the end of 2017 in the amount of USD 101,149 thousand was the remaining balance on outstanding Eurobonds issued in 2005 that had been issued for the purpose of funding capital construction projects in the city of Kyiv, in particular, the construction of the Podilsko-Voskresenskyi Bridge and the Kyiv Municipal Heart Center.

In accordance with the Law of Ukraine # 436-VII dated 19 May 2015 "On Peculiarities of Legal Acts with the State, Guaranteed by the State, and Local Debts» (as subsequently amended), during 2017, moratorium was in the effect regarding the repayment of the remaining outstanding debt in the amount of USD 101,149 thousand.

Expenditures to service debts in 2017 amounted to UAH 720 million (servicing the debt to the state that had arisen as a result of Eurobonds' restructuring in 2015).



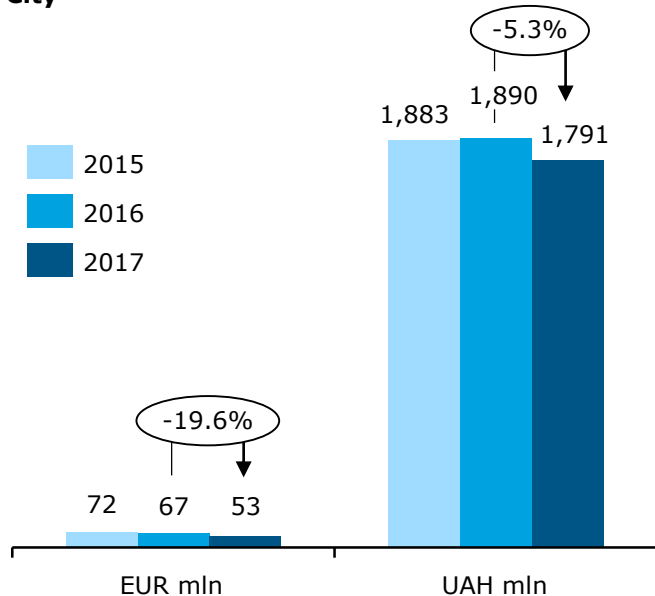
Kyiv's City Guarantees

Kyiv's City guarantees issued under the borrowings attracted for the City's infrastructure

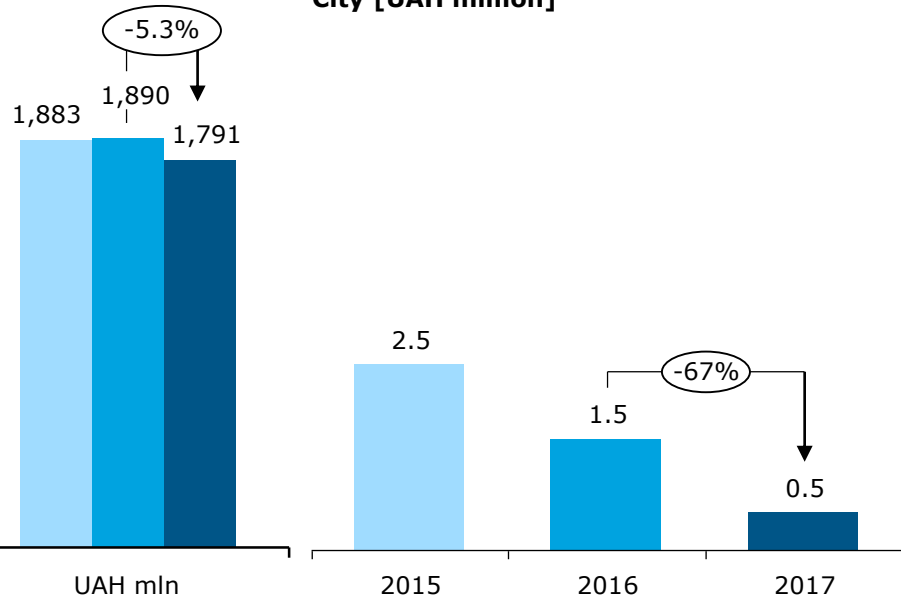
In accordance with the Budget Code of Ukraine, local guarantees can be issued based on a decision of the Kyiv City Council for the purpose of ensuring full or partial execution of debt obligations of business entities that are residents of Ukraine and belong to the municipal sector of the economy, are located in the territory of Kyiv, and are engaged in implementing investment programs (projects) in this territory aimed at developing municipal infrastructure or adopting resource saving technologies.

As of 31 December 2017, the volume of the debt guaranteed by the Kyiv's City territorial community and used by municipal entities decreased by 5% to UAH 1,791 million due to partial repayment of the amounts due, which was partially compensated by the growth in the debt's amount as a result of UAH devaluation (the debt's principal is denominated in EUR).

EUR denominated debt guaranteed by the City¹



UAH denominated debt guaranteed by the City [UAH million]



¹ Currency translation was performed in accordance with the official exchange rates established by the NBU as of 31 December 2015 and 31 December 2016.



Guarantees Issued under the Borrowings from EBRD and NEFCO



Guarantees issued under the borrowings from European Bank for Reconstruction and Development (EBRD).

In 2010, in fulfillment of Decision of the Kyiv City Council # 250/5062 dated 2 December 2010 "On Issuing Guarantees to European Bank for Reconstruction and Development", the Kyiv City Council issued to European Bank for Reconstruction and Development guarantees to secure for obligations with regard to the borrowing agreements entered into by:

- Municipal Entity "Kyivpastrans" as a borrower and EBRD as a lender on granting the loan in the amount of EUR 60 million dated 17 August 2007. The funds are directed at the renewal of trolleybus fleet (202 units) and bus fleet (185 units);
- Municipal Entity "Kyivskyi Metroliten" as a borrower and EBRD as a lender on granting the loan in the amount of EUR 40 million dated 17 August 2007. The funds received are directed at the renewal of metro fleet (50 units delivered).



Guarantees issued under the borrowings from Nordic Environment Finance Corporation (NEFCO).

In 2013, in order to implement the measures on fuel and energy resources utilization efficiency improvement by public sector institutions, the cooperation was initiated with NEFCO, the organization financing a broad range of energy efficiency projects in the countries of Central and Eastern Europe, in particular, in Ukraine.

Resolution of the KCC # 429/9917 dated 13 November 2013 "On Approval of Agreements" approved issuing the guarantees to secure for obligations under two loan agreements entered into between Municipal Entity "Group for Implementing Energy Saving Project in Kyiv's City Administrative and Public Buildings" as a borrower and NEFCO as a lender:

- On granting a loan in the amount of EUR 5 million in accordance with Decision of the KCC # 13/9601 dated 2 October 2013 "On Measures for Attracting a Borrowing from Nordic Environment Finance Corporation (NEFCO) and Issuing a Local Guarantee" to finance the Project of Thermal Insulation in Budgetary Institutions of the City of Kyiv. The project envisages for implementing energy saving activities by municipal property facilities. Kyiv City co-funded the share amounting to EUR 2.0 million, whereas the grant's funds amounted to EUR 1.5 million.
- On granting a loan in the amount of UAH 4 million in accordance with Decision of the KCC # 13/9600 dated 2 October 2013 "On Measures for Attracting a Borrowing from Nordic Environment Finance Corporation (NEFCO) and Issuing a Local Guarantee" to finance the Project of Energy Saving by Budget Institutions of the City of Kyiv which envisages for implementing energy saving activities by municipal property facilities, in particular, replacement, repairs, and installation of energy saving equipment. The volume of Kyiv's City budget co-funding share amounted to UAH 1.5 million.



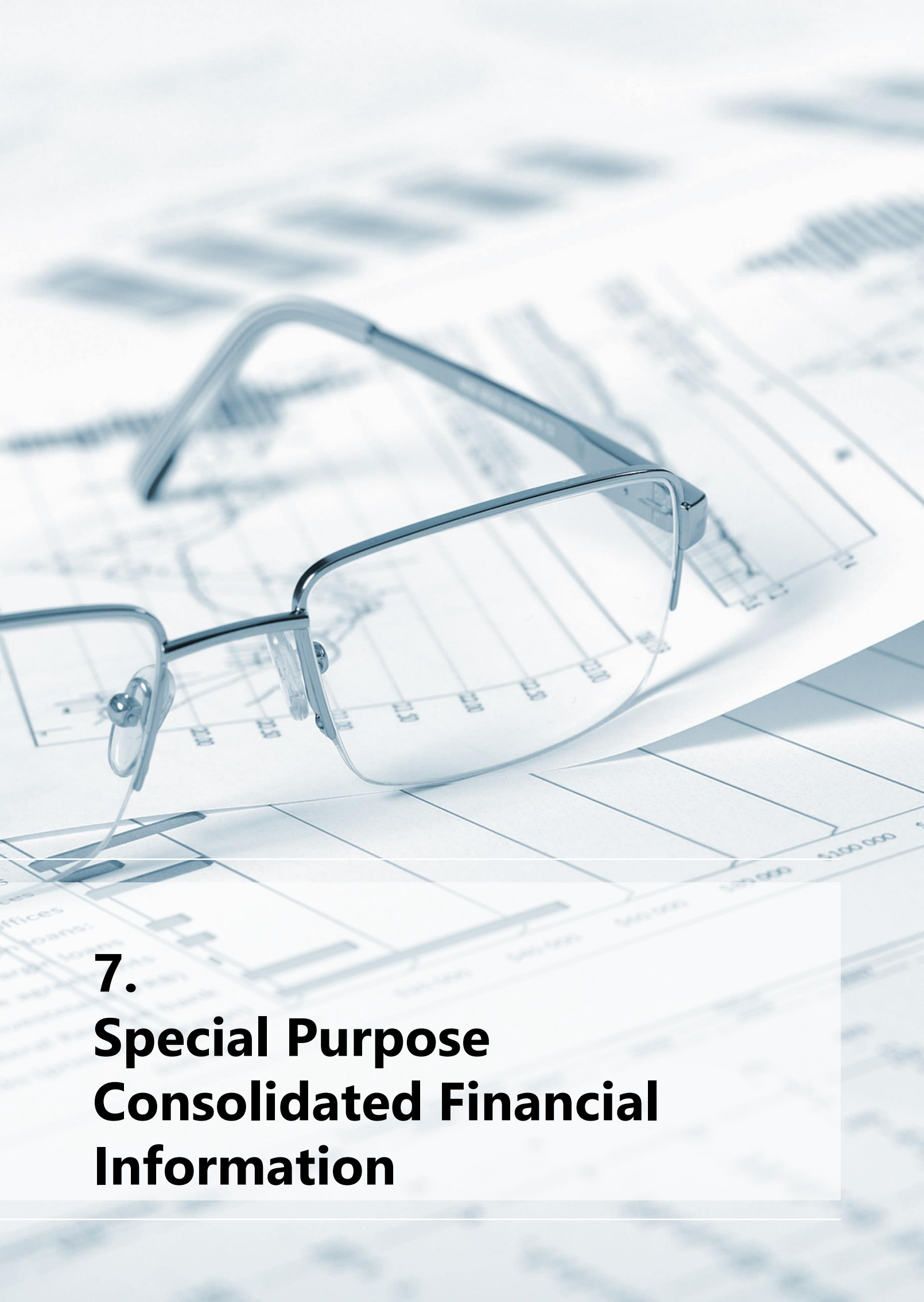
Kyiv's City Guarantees (continued)

Terms and conditions of guarantees issued under the borrowings from EBRD and NEFCO

Borrowings				
#	1	2	3	4
Guarantee's subject matter	Rolling stock renewal	Rolling stock renewal	Energy saving	Implementing energy saving activities
Borrower's name	ME "Kyivpastrans"	ME "Kyivskyi Metropoliten"	ME "GIESP"	ME "GIESP"
Lender's name	EBRD	EBRD	NEFCO	NEFCO
Volume of the borrowing guaranteed	60.0	40.0	5.0	4.0
	EUR million	EUR million	EUR million	UAH million
Date of entering into a local guarantee agreement	17 August 2007	17 August 2007	2 October 2013	2 October 2013
Volume of guarantee, million	60.0	40.0	5.0	4.0
Guarantee period	2010–2021	2010–2021	2013–2021	2013–2018
Collateral or other security	Agreement on Municipal Support	Agreement on Municipal Support	Direct Local Guarantee to NEFCO	Direct Local Guarantee to NEFCO
Debt currency	EUR	EUR	EUR	UAH
Borrower's debt amount in the currency of issue as of 31 December 2016, million	38.33	25.78	2.4	1.5
Borrower's debt amount in the currency of issue as of 31 December 2017, million	29.8	20.2	3.0	0.5
Interest rate	EURIBOR + margin ² 5.75%	EURIBOR + margin ² 5.75%	6.90%	3.0%
Maturity date	2021	2021	2021	2018
Basis for issuing a guarantee	Resolution of the KCC # 250/5062 dated 2 December 2010	Resolution of the KCC # 250/5062 dated 2 December 2010	Resolution of the KCC # 13/9601 dated 2 October 2013	Resolution of the KCC # 13/9600 dated 2 October 2013
Objective of using the funds granted under the agreement (investment programs/projects were the funds attracted for)	Renewal of trolleybus and bus fleet	Renewal of metro cars	Project of Thermal Remediation in Budget Institutions of the City of Kyiv	Project of Energy Saving by Budget Institutions of the City of Kyiv
Status of the programs'/projects' implementation as of 31 December 2017	In progress	In progress	In progress	In progress

¹ ME "Group for Implementing Energy Saving Project in Kyiv's City Administrative and Public Buildings".

² Margins on borrowings from EBRD are adjusted in accordance with loan agreements and revised at each date of interest payment by using references to the rating of unsecured and non-subordinated long-term debt of the city of Kyiv assigned by S&P and Moody's.



7. Special Purpose Consolidated Financial Information



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Description of approach to preparation of the special purpose consolidated financial information

The special purpose consolidated financial information of the Kyiv City includes 1,956 entities (31 December 2016: 1,939 entities) (Note 1). Main forms of the special purpose consolidated financial information include the data about all 1,956 entities. Due to technical constraints, the detailed information in the notes is disclosed in respect of 95 largest entities (31 December 2016: 100 entities). The information regarding other entities is disclosed in the notes in the line "Other".

This special purpose consolidated financial information is unaudited.

Limitations and departures from International Public Sector Accounting Standards ("IPSAS")

1. The major part of land of the the Kyiv City presented in the special purpose consolidated financial information is carried at net book value that equals nil as the Kyiv City has not been able to measure the fair value of land reliably. The total area of the Kyiv City's land and limitations regarding land accounting are disclosed in Note 6.

2. A part of entities of the Kyiv City did not perform revaluation of their property, plant and equipment as at 31 December 2017 and 2016. Therefore, the fair value of property, plant and equipment carried at fair value according to the accounting policies may significantly differ from their carrying amounts disclosed herein. In addition, a part of Kyiv City's entities did not perform an analysis of whether the objective evidence of impairment exists, and, in case of need, did not perform the impairment test of the construction in progress, property, plant and equipment items, intangible assets and inventories as at 31 December 2017 and 2016.

3. A part of entities in the Kyiv City did not separate investment property items from property, plant and equipment and did not revalue them at fair value as at 31 December 2016. Correspondingly, the fair value of investment property accounted for at fair value according to the accounting policies may significantly differ from its carrying amount. As at 31 December 2017, no updates were made to investment property items.

4. Due to technical constraints, some intercompany balances and transactions were not eliminated on consolidation, and not all non-cash income and expense were separated and netted-off in full in the special purpose consolidated financial information.

5. Some Kyiv City's entities do not calculate and recognize in full:

- Deferred tax liabilities/deferred tax assets;
- Provisions for litigation;
- Provisions for unused vacations;
- Bonus accruals;
- Guarantee accruals;
- Post-employment benefit plan liabilities;
- Provisions for land rehabilitation;
- Financial instruments at amortized cost.

6. To cover cash deficiencies arising in the budgets of municipal districts and the Kyiv City taken as a whole, the executive body of the Kyiv City Council received during the period of 2009–2013 from the State Treasury interest-free medium-term borrowings at the cost of funds held on the single treasury account. A part of the borrowings received as at 31 December 2017 was not repaid by the Kyiv City. At the date of receipt, those borrowings were recognized at cost and not at fair value.

The Eurobonds issued by the City that were overdue and not serviced by the City as at 31 December 2017 and 2016 are recorded in this special purpose consolidated financial information at their nominal value. No fair value of the Eurobonds accounted for at amortized cost which, as at 31 December 2017 and 2016, were not serviced by the City was determined for the purpose of this special purpose consolidated financial information.



7. Some entities of the Kyiv City accounted for properties that were privatized and was not owed by the City as at 31 December 2017 and 2016. The major part of such assets were identified and excluded from the cost of Kyiv City's property, plant and equipment in the course of preparation of the special purpose consolidated financial information. However, some entities, when separating and calculating the cost of privatized assets, included into the calculation non-residential premises that are not subject to privatization in accordance with the Ukrainian legislation and should be carried on the balance of an entity holding them.

8. Due to the fact that some entities in the Kyiv City did not prepare detailed financial information to be disclosed in certain notes of the special purpose consolidated financial information as at 31 December 2017 and 2016 and for the years then ended, the comparability of the amounts as at 31 December 2017 and for the year then ended against respective prior period amounts was limited. In particular, comparability of certain categories of the City's operating expense disclosed in Notes 36–44 is limited due to the fact that the financial statements forms of budget institutions were amended effective from 1 January 2017.

9. Notes to the special purpose consolidated financial information, in particular Notes 23 "Other current liabilities", 25, "Local taxes and charges to the General Fund" and 32 "Subventions (the Special Fund)" are prepared for the presentation of financial information based on the requirements of IPSAS.

10. Due to technical constraints, certain disclosures required by IPSAS were not prepared:

- Application of new or revised Standards and Interpretations and their impact on the special purpose consolidated financial information;
- Critical accounting estimates and judgments in applying accounting policies in respect of:
 - A – Recognition of revenue from non-exchange transactions;
 - B – Valuation of property, plant and equipment and investment property.
- Reconciliation of net cash flows to consolidated financial results;
- Purposes, policies, and methods of credit risk management;
- Credit risk concentration;
- Categories of assets pledged as collateral;
- Amounts of fully depreciated property, plant and equipment items;
- disclosure of the information in respect of fair value model for the financial instruments classified as Level 3;
- Income, expense, and gains or losses on transactions with financial instruments by accounting categories;
- Disclosure related to retirement benefit obligations;
- Related party operations apart from operations with key management personnel;
- Disclosures relating to construction contracts;
- Disclosures relating to operating lease;
- Disclosures relating to contingent liabilities and commitments for acquisition and construction of property, plant and equipment;
- Segment information in accordance with IPSAS.



Consolidated statement of financial position

In Ukrainian Hryvnias and in thousands

	Notes	2017	2016
ASSETS			
Non-current assets			
Property, plant and equipment	6	94,347,178	75,325,013
Investment property	7	2,754,732	2,752,125
Intangible assets	8	176,064	80,126
Investments accounted for using equity method	9	-	-
Available-for-sale investments		49,800	47,222
Deferred tax assets		229,597	142,838
Long-term receivables from exchange transactions	10	117,019	89,550
Other non-current assets	14	345,632	496,267
Total non-current assets		98,020,022	78,933,141
Current assets			
Inventories	11	11,272,561	9,632,579
Current receivables from exchange transactions	10	4,344,264	3,804,749
Receivables from non-exchange transactions	12	4,410,118	2,591,297
Receivables of entities on taxes		227,668	172,713
Deferred expenses		78,240	126,610
Current financial investments		8,396	8,396
Cash and cash equivalents	13	5,474,040	5,595,174
Total current assets		25,815,287	21,931,518
TOTAL ASSETS		123,835,309	100,864,659
LIABILITIES			
Non-current liabilities			
Long-term borrowings	15	11,397,457	11,317,945
Deferred tax liabilities		520,121	916,473
Non-current provisions	16	23,290	59,732
Other non-current liabilities	17	6,464,853	3,957,451
Deferred income	18	3,483,809	2,515,991
Total non-current liabilities		21,889,530	18,767,592
Current liabilities			
Short-term borrowings	15	7,664,771	7,527,050
Payables under exchange transactions	19	9,212,091	9,688,777
Taxes and transfers payables	20	524,727	390,059
Payments received in advance from non-exchange transactions	21	2,275,399	2,149,655
Current provisions	22	921,190	848,753
Other current liabilities	23	1,862,138	-
Total current liabilities		22,460,316	20,604,294
TOTAL LIABILITIES		44,349,846	39,371,886
Net assets			
Accumulated surplus		35,802,328	29,852,451
Revaluation reserve		43,157,152	31,087,960
Non-controlling interest		525,983	552,362
Total net assets		79,485,463	61,492,773
TOTAL NET ASSETS AND LIABILITIES		123,835,309	100,864,659



Consolidated statement of financial results

<i>In Ukrainian Hryvnias and in thousands</i>	Notes	2017	2016
Revenue			
<i>General Fund</i>			
Personal income tax		14,601,211	10,940,163
Corporate income tax		4,736,055	2,369,855
Subventions and dotations	24	13,047,313	9,418,932
Local taxes and charges to the General Fund	25	10,130,268	8,864,676
Excise taxes on excisable goods sold by retailers		1,578,873	1,396,039
Administrative fees and charges, revenue from non-commercial business activities	26	604,802	532,889
Duties and fees for the special use of natural resources	27	37,002	52,474
Other non-tax proceeds and other budget revenue	28	315,415	46,059
Other taxes and charges		25,693	5
<i>Special Fund</i>			
Revenue from exchange transactions of budget institutions	29	2,650,889	2,046,629
Taxes and other charges to the Special Fund	30	1,101,384	640,502
Other non-tax proceeds	31	797,684	567,853
Subventions (the Special Fund)	32	713,744	-
Special purpose funds	33	291,547	299,937
Funds from sales of land, intangible assets and from privatization		171,924	129,276
Revenue from exchange transactions of municipal and corporate entities	34	17,455,776	14,707,464
Other income of budget, municipal, and corporate entities	35	5,792,600	3,094,696
Finance income of municipal and corporate entities		70,100	37,988
Total revenue		74,122,280	55,145,437
Expenses			
Housing and utilities	36	(11,629,923)	(9,680,799)
Education	37	(11,941,473)	(6,775,210)
Health care	38	(11,244,657)	(7,727,339)
Construction	39	(6,015,821)	(6,474,785)
Transport, road facilities, communication, telecommunications and information technologies	40	(10,113,750)	(3,508,992)
Social care and social security	41	(7,431,412)	(4,536,648)
Culture and arts	42	(2,023,685)	(1,217,376)
Other services related to economic activities	43	(2,201,059)	(1,083,441)
State administration	44	(1,592,738)	(712,508)
Special purpose funds		(351,273)	(312,964)
Physical culture and sports		(446,668)	(284,525)
Transfers to the State Budget and other budgets	45	(265,936)	(124,463)
Other expenses		(2,664,981)	(439,813)
Impairment of non-current assets		(356)	(356)
Effect of residential property de-recognition as a result of privatization		-	(1,408,865)
TOTAL EXPENSES BEFORE FINANCE COSTS		(67,923,732)	(44,288,084)



Continued

	Notes	2017	2016
SURPLUS BEFORE TAXES AND FINANCE COSTS		6,198,548	10,857,353
Income taxes		249,985	(42,147)
SURPLUS FOR THE REPORTING PERIOD BEFORE FINANCE COSTS		6,448,533	10,815,206
Finance costs	46	(1,523,504)	(2,706,710)
SURPLUS FOR THE REPORTING PERIOD		4,925,029	8,108,496
Surplus attributable to non-controlling interest		(26,379)	(152,036)
Surplus attributable to Kyiv City's community		4,951,408	8,260,532
SURPLUS FOR THE REPORTING PERIOD		4,925,029	8,108,496



Consolidated statement of changes in net assets

<i>In Ukrainian Hryvnias and in thousands</i>	Attributable to Kyiv City's community			Non-controlling interest	Total
	Revaluation reserve	Accumulated surplus	Total		
Balance as at 1 January 2016	29,315,577	22,539,818	51,855,395	704,398	52,559,793
Surplus/(deficit) for the reporting period	-	8,260,532	8,260,532	(152,036)	8,108,496
Other comprehensive income	2,527,437	-	2,527,437	-	2,527,437
Prior period adjustments*	(755,054)	(947,899)	(1,702,953)	-	(1,702,953)
Balance as at 31 December 2016	31,087,960	29,852,451	60,940,411	552,362	61,492,773
Surplus/(deficit) for the reporting period	-	4,951,408	4,951,408	(26,379)	4,925,029
Other comprehensive income	12,046,198	30,048	12,076,246	-	12,076,246
Prior period adjustments*	22,994	968,421	991,415	-	991,415
Balance as at 31 December 2017	43,157,152	35,802,328	78,959,480	525,983	79,485,463

* Adjustments were made due to the fact that some municipal entities presented the updated amounts of revaluation reserve and retained earnings/accumulated deficit as at 31 December 2016 in the statement of financial position as at 31 December 2017.



Consolidated statement of cash flows

<i>In Ukrainian Hryvnias and in thousands</i>	Notes	2017	2016
Cash flows from operating activities			
Personal income tax		14,628,161	11,085,652
Corporate income tax		3,270,599	2,864,074
Transfers from state administration bodies		13,761,057	9,418,932
Duties and fees for special use of natural resources		50,994	52,474
Excise taxes on excisable goods sold by retailers		1,565,601	1,366,405
Administrative fees and charges, revenue from non-commercial business activities		518,803	424,560
Local taxes and charges		9,726,305	8,653,560
Other non-tax proceeds		1,099,665	601,859
Proceeds from products sold and services provided by budget entities		2,650,889	2,046,629
Special purpose funds		291,547	299,937
Other taxes and duties		1,125,565	640,668
Proceeds from products sold and services provided by municipal entities		8,114,959	6,841,654
Rental fees received		353,039	309,060
Advances received		642,065	1,590,885
Repayment of advances granted		50,505	83,110
Interest income on current account balances		31,771	25,322
Taxes and duties reimbursed		1,864	4,490
Other proceeds		4,239,888	4,759,432
Expenditures to goods, works, services		(20,741,713)	(19,688,821)
Labor costs and payroll related charges		(14,717,139)	(12,605,795)
Transfers to the State Budget and other budgets		(241,482)	(162,526)
Taxes and charges paid		(1,602,699)	(1,307,469)
Repayment of advances received		(49,571)	(133,397)
Advances issued		(659,305)	(844,568)
Individual measures on state (regional) programs' implementation		(5,741,476)	(419,782)
Social security payments		(6,282,687)	(4,167,941)
Net cash flows from operating activities		12,087,205	11,738,404
Cash flows from investing activities			
Proceeds from sale of non-current assets		173,735	141,862
Proceeds from interest received		1,598	1,551
Other proceeds		19	-
Acquisition of non-current assets		(11,153,962)	(4,648,547)
Other payments		(148,381)	(435,550)
Net cash flows from investing activities		(11,126,991)	(4,940,684)



7. Special Purpose Consolidated Financial Information

Continued

In Ukrainian Hryvnias and in thousands

	Notes	2017	2016
Cash flows from financing activities			
Proceeds from borrowings received		1,416,365	440,193
Repayment of borrowings		(1,891,664)	(3,422,273)
Interest received		-	45
Interest paid on Eurobonds placed		(860,280)	(1,139,348)
Other proceeds		263,264	220,641
Net cash flows from financing activities		(1,072,315)	(3,900,742)
Net cash flows for the reporting period			
Cash and cash equivalents at the beginning of the reporting period	13	5,595,174	2,702,645
Effect of exchange rate changes on cash and cash equivalent balances		(9,033)	(4,449)
Cash and cash equivalents at the end of the reporting period	13	5,474,040	5,595,174



Report on the performance of the Kyiv City's Budget for 2017

<i>In Ukrainian Hryvnias and in thousands</i>	Original budget amounts	Adjustments	Final budget amounts*	Actual amounts on a comparative basis	Deviation from final budget
REVENUE					
General Fund					
Personal and corporate income taxes	16,236,200	1,125,482	17,361,682	17,653,790	292,108
Subventions and dotations	9,066,705	4,144,684	13,211,389	13,047,313	(164,076)
Local taxes and charges	9,130,200	417,771	9,547,971	9,726,354	178,383
Excise taxes on excisable goods sold by retailers	1,534,500	125,040	1,659,540	1,565,601	(93,939)
Administrative fees and charges, revenue from non-commercial business activities	500,800	37,008	537,808	604,802	66,994
Duties and fees for the special use of natural resources	50,550	919	51,469	50,994	(475)
Other non-tax proceeds and other budget revenue	23,200	307,803	331,003	332,802	1,799
Other taxes and duties	-	-	-	24,159	24,159
Special Fund					
Own revenue proceeds of budget institutions	781,033	-	781,033	2,650,889	1,869,856
Subventions from the State Budget	-	713,744	713,744	713,744	-
Special purpose funds	266,000	-	266,000	291,547	25,547
Funds from sales of land, intangible assets and from privatization	330,000	(100,000)	230,000	171,924	(58,076)
Environmental tax	42,300	-	42,300	61,877	19,577
Other taxes and duties	-	830,610	830,610	1,039,508	208,898
Other non-tax proceeds	276,600	202,777	479,377	829,804	350,427
TOTAL REVENUE	38,238,088	7,805,838	46,043,926	48,765,108	2,721,182



7. Special Purpose Consolidated Financial Information

Continued

	Original budget amounts	Adjustments	Final budget amounts*	Actual amounts on a comparative basis	Deviation from final budget
EXPENDITURES					
Education	(10,807,218)	(845,657)	(11,652,875)	(11,538,620)	114,255
Health care	(7,631,039)	(894,363)	(8,525,402)	(9,329,577)	(804,175)
Social care and social security	(5,796,028)	(2,160,584)	(7,956,612)	(7,857,564)	99,048
Transport, road facilities, communication, telecommunications and information technologies	(1,550,088)	(6,076,112)	(7,626,200)	(7,276,192)	350,008
Construction	(4,366,773)	(263,735)	(4,630,508)	(4,364,118)	266,390
Housing and utilities	(2,715,590)	(847,130)	(3,562,720)	(3,258,851)	303,869
State administration	(1,276,114)	(94,451)	(1,370,565)	(1,592,324)	(221,759)
Culture and arts	(1,330,006)	(80,567)	(1,410,573)	(1,458,718)	(48,145)
Other services related to economic activities	(976,957)	(443,609)	(1,420,566)	(1,362,179)	58,387
Physical culture and sports	(422,681)	(24,840)	(447,521)	(433,359)	14,162
Special purpose funds	(309,900)	(68,788)	(378,688)	(351,273)	27,415
Transfers to the State Budget	(11,018)	(258,636)	(269,654)	(265,936)	3,718
Debt servicing	(621,600)	584,000	(37,600)	(15,060)	22,540
Other expenses	(424,577)	(83,346)	(507,923)	(417,047)	90,876
TOTAL EXPENDITURES	(38,239,589)	(11,557,818)	(49,797,407)	(49,520,818)	276,589
DEFICIT FOR THE REPORTING PERIOD	(1,501)	(3,751,980)	(3,753,481)	(755,710)	2,997,771

* Approved by local councils for the reporting year, with reference to changes.

Reasons for deviation of planned figures from the actual ones and the budget of "Estimate Assignments" are described in Section "6. Analysis of Kyiv City's Budget Fulfillment for 2017".



Report on the performance of the Kyiv City's Budget for 2016

<i>In Ukrainian Hryvnias and in thousands</i>	Original budget amounts	Adjustments	Final budget amounts*	Actual amounts on a comparative basis	Deviation from final budget
REVENUE					
General Fund					
Personal and corporate income taxes	9,399,400	4,187,631	13,587,031	14,017,480	430,449
Subventions and dotations	9,660,371	(158,410)	9,501,961	9,418,932	(83,029)
Local taxes and charges	5,062,281	3,250,470	8,312,751	8,653,724	340,973
Excise taxes on excisable goods sold by retailers	955,000	351,420	1,306,420	1,366,405	59,985
Administrative fees and charges, revenue from non-commercial business activities	382,125	94,413	476,538	532,889	56,351
Duties and fees for the special use of natural resources	37,331	11,080	48,411	52,474	4,063
Other non-tax proceeds and other budget revenue	32,621	45,550	78,171	86,505	8,334
Other taxes and duties	32,600	(32,600)	-	5	5
Special Fund					
Own revenue proceeds of budget institutions	679,495	-	679,495	2,871,619	2,192,124
Special purpose funds	246,870	2,500	249,370	299,937	50,567
Funds from sales of land, intangible assets and from privatization	350,000	(200,000)	150,000	129,276	(20,724)
Environmental tax	-	32,600	32,600	43,193	10,593
Other non-tax proceeds	298,050	6,284	304,334	617,417	313,083
Other taxes and duties	-	700,000	700,000	597,309	(102,691)
TOTAL REVENUE	27,136,144	8,290,938	35,427,082	38,687,165	3,260,083



7. Special Purpose Consolidated Financial Information

Continued

	Original budget amounts	Adjustments	Final budget amounts*	Actual amounts on a comparative basis	Deviation from final budget
EXPENDITURES					
Education	(7,024,978)	(1,044,597)	(8,069,575)	(8,052,449)	17,126
Health care	(5,038,194)	(1,588,231)	(6,626,425)	(7,639,958)	(1,013,533)
Social care and social security	(5,019,259)	246,606	(4,772,653)	(4,648,114)	124,539
Construction	(1,291,542)	(2,807,460)	(4,099,002)	(3,641,853)	457,149
Housing and utilities	(1,147,534)	(1,589,001)	(2,736,535)	(2,597,612)	138,923
Transport, road facilities, communication, telecommunications and information technologies	(1,568,677)	(1,343,458)	(2,912,135)	(2,552,720)	359,415
Culture and arts	(853,897)	(111,872)	(965,769)	(1,265,613)	(299,844)
State administration	(849,709)	(237,717)	(1,087,426)	(1,192,416)	(104,990)
Other services related to economic activities	(901,966)	86,085	(815,881)	(710,478)	105,403
Special purpose funds	(248,470)	(87,702)	(336,172)	(312,964)	23,208
Physical culture and sports	(262,235)	(68,556)	(330,791)	(300,797)	29,994
Debt servicing	(1,111,022)	214,741	(896,281)	(281,439)	614,842
Transfers to the State Budget and other budgets	(2,500)	(139,600)	(142,100)	(124,463)	17,637
Other expenses	(316,160)	(45,538)	(361,698)	(251,977)	109,721
TOTAL EXPENDITURES	(25,636,143)	(8,516,300)	(34,152,443)	(33,572,853)	579,590
SURPLUS FOR THE REPORTING PERIOD	1,500,001	(225,362)	1,274,639	5,114,312	3,839,673

* Approved by local councils for the reporting year, with reference to changes.



Reconciliation of consolidated financial results and performance of the Kyiv City's Budget

<i>In Ukrainian Hryvnias and in thousands</i>	Notes	2017	2016
Budget performance results		(755,713)	5,114,312
(I) Recognition of non-operating foreign exchange differences on Eurobonds and adjustment of finance costs accrued on a cash basis		(1,116,057)	(1,442,651)
(II) Elimination of budget revenue from dividends of corporate entities and withdrawal of a share of profit of municipal entities		(49,507)	(90,067)
(III) Share in financial results of associates after tax	9	-	(23,947)
(IV) Financial results of municipal entities, budget institutions, and corporate entities not included into the budget of the Kyiv City and adjusted for the effect of eliminated adjustments in the budget expenditures		(269,182)	3,119,459
(V) Adjustment of proceeds from taxes and charges accrued on a cash basis		1,438,506	(639,707)
(VI) Effect of residential property de-recognition as a result of privatization		-	(1,408,865)
(VII) Result of receivables recognition on the planned allocation of benefits and subsidies to households	12	395,121	966,070
(VIII) Effect of eliminated adjustments in the budget expenditures		5,281,861	2,513,892
Consolidated surplus for the reporting period		4,925,029	8,108,496

(I) Since the report on budget fulfillment reflects transactions using the cash basis method of accounting, budget performance results were adjusted to recognize foreign currency exchange differences arising on foreign currency denominated debt obligations.

(II) Budget revenue includes dividends received from corporate entities and a share of profit from municipal entities. Since the special purpose consolidated financial information provides for consolidation of those entities, changes in equity were netted off against relevant budget revenues.

(III) Budget performance report does not include losses of associates for the reporting period, thus, the financial results of their activities were added to the special purpose consolidated financial information in the course of consolidated information preparation.

(IV) Budget performance report does not include profits/losses of municipal entities, budget institutions, and corporate entities for the reporting period, thus, the results of their activities were added to the special purpose consolidated financial information in the course of consolidation.

(V) Proceeds on taxes and duties were included to budget revenue using the cash basis method of accounting. Adjustment represents the application of accrual method for taxes and duties accounting.

(VI) Budget performance report does not include losses for the reporting period from residential property de-recognition as a result of privatization.

(VII) A part of expenditures on payment of benefits and subsidies to households was not supported by planned allocations to such expenditures by the state during 2017 and 2016, correspondingly, the consolidated financial result was adjusted for that amount.

(VIII) In the process of preparing the consolidated information, local budget expenditures were eliminated against revenues received by budget organizations and municipal entities from the City's budget.



1. General information

This special purpose consolidated financial information of the Kyiv City (the "City") includes information in respect of the executive body of the Kyiv City Council (the Kyiv City State Administration (the "KCSA"), 20 departments of the KCSA (2016: 20 departments), 10 district state administrations ("DSAs") (2016: 10 DSAs), and 1,901 (2015: 1,918) directly or indirectly accountable municipal entities, institutions, and organizations of Kyiv City's community (including 393 municipal entities and 1,508 budget institutions (2016: 401 municipal entities and 1,517 budget institutions), except for the City's entities in the process of reorganization or liquidation (Note 4). As at 31 December 2017 and 2016, the territorial community of the Kyiv City had a share in corporate rights in and control over 7 joint stock companies, its subsidiaries (altogether referred to as the "City").

The City operates to preserve and augment the cultural, economic, scientific, and industrial potential of the City to ensure its prosperity and increase the municipal community's well-being. The City's principal activities are aimed at sustainable enhancement of living standards for all segments of the City's residents and creating favorable conditions for entrepreneurial development.

The City's principal activities are represented by rendering services on the development of infrastructure, health care, communication, education, transport, sports, and culture, social care, waste management, emergency services, and supply of energy, water, and other utility services to Kyiv City's residents, as well as services of comprehensive development, improvement, and maintenance of urban land.

The registered address of the Kyiv City State Administration is at: 36 Khreshchatyk Street, Kyiv, 01044, Ukraine. Budget organizations, municipal entities, and joint stock companies are registered and operate in Kyiv.

2. Operating environment of the Kyiv City

In the recent years, Ukraine has been in a political and economic turmoil. Crimea, an autonomous republic of Ukraine, was effectively annexed by the Russian Federation. In 2016-2017, an armed conflict with separatists continued in certain parts of Luhanska and Donetsk regions. These events resulted in higher inflation, devaluation of the national currency against major foreign currencies, decrease of GDP, illiquidity, and volatility of financial markets.

In 2017, annual inflation rate amounted to 13.7% (2016: 12.4%). The Ukrainian economy proceeded recovery from the economic and political crisis of previous years that resulted in real GDP smooth growth of around 2.5% (2016: 2.4%) and stabilization of national currency. From trading perspective, the economy was demonstrating refocusing on the European Union ("EU") market, which was a result of the signed Association Agreement with the EU in January 2016 that established the Deep and Comprehensive Free Trade Area ("DCFTA"). Under this agreement, Ukraine has committed to harmonize its national trade-related rules, norms, and standards with those of the EU, progressively reduce import customs duties for the goods originating from the EU member states, and abolish export customs duties during a 10-year transitional period. Implementation of DCFTA began on 1 January 2017. As a result, the Russian Federation implemented a trade embargo or import duties on key Ukrainian export products. In response, Ukraine implemented similar measures against Russian products.

In terms of currency regulations, the National Bank of Ukraine ("NBU") decreased the required share of mandatory sale of foreign currency proceeds from 65% to 50% from April 2017, increased settlement period for export-import transactions in foreign currency from 120 to 180 days from May 2017, and allowed companies to pay the 2013 (and earlier) dividends with a limit of USD 2 million per month from November 2017 (from June 2016, companies were allowed to pay dividends for 2014-2016 to non-residents with a limit of USD 5 million per month).



In March 2015, Ukraine signed four-year Extended Fund Facility ("EFF") with the International Monetary Fund ("IMF") that will last until March 2019. The total program amounted to USD 17.5 billion, while Ukraine has so far received only USD 8.7 billion from the entire amount. In September 2017, Ukraine successfully issued USD 3 billion of Eurobonds, of which USD 1.3 billion is new financing, with the remaining amount aimed to refinance the bonds due in 2019. The NBU expects that Ukraine will receive another USD 3.5 billion from the IMF in 2018. To receive next tranches, the government of Ukraine has to implement certain key reforms, including in such areas as pension system, anti-corruption regulations, and privatization.

In September 2017, the international rating agency of Moody's changed to positive from stable the outlook on Kyiv City's foreign- and national currency denominated ratings and upgraded the City's credit ratings from Ca to Caa3, with reference to the increased credit rating of Ukraine and the change in forecast from stable to positive.

In September 2017, the international rating agency of Fitch confirmed the long-term foreign and national currency default rating of the Kyiv City at the level of B-. In addition, the agency increased the national long-term issuer's rating from BBB (ukr) to A- (ukr) with a stable outlook. In March 2018, the international rating agency of Fitch confirmed the long-term foreign and national currency default rating of the Kyiv City at the level of B-, with a stable outlook.

Further stabilization of the economic and political situation depends, to a large extent, upon success of the Ukrainian government's efforts, yet further economic and political developments are currently difficult to predict.

3. Summary of significant accounting policies

Basis of preparation. The consolidated financial statements of the City have been prepared based on the significant accounting policies described in this Note. Currently, the City continues to align its special purpose consolidated financial information (the "consolidated financial information") with the requirements of International Public Sector Accounting Standards ("IPSAS") issued by International Public Sector Accounting Standards Board ("IPSASB"). This special purpose consolidated financial information does not comply with IPSAS due to deviations and limitations outlined in the Description of Approach to Preparation of the Special Purpose Consolidated Financial Information.

This consolidated financial information has been prepared in accordance with the City's accounting policies under the historical cost convention, except for property, plan and equipment and certain categories of financial instruments that were accounted for at revalued amounts and fair value, respectively, and subject to limitations and the City's approach to preparation of the consolidated financial information.

Consolidation of controlled entities. Controlled entities are all those entities over which the City as the controlling entity has the power to govern their financial and operating activities. The controlled entities are to be fully consolidated from the date on which control has been transferred to the City. They are de-consolidated from the date that control ceases to exist. Inter-company transactions, balances, and unrealized gains and losses on transactions between the City's entities are to be eliminated in full on consolidation. Where the controlled entities use accounting policies, other than those adopted in this consolidated financial information, to account for similar transactions and events in similar circumstances, appropriate adjustments are to be made to their financial information in preparing the consolidated financial information of the City.

Associates. The City's investments in associates are accounted for using the equity method. An associate is an entity in which the City has a significant influence, but not control, generally accompanying a shareholding of between 20 and 50 percent of the voting rights. Under the equity method, the investment in associates is carried in the statement of financial position at cost, plus post acquisition changes in the City's share in the associate's financial results after tax. Goodwill relating to the associate is included in the carrying value of the investment.



7. Special Purpose Consolidated Financial Information

The statement of financial results reflects a share in the associate's results. Where there has been a change recognized directly in the net assets of the associate, the City recognizes its share in any changes and discloses the respective information, when applicable, in the statement of changes in net assets. Unrealized gains and losses resulting from transactions between the City and the associates are eliminated to the extent of the interest in the associate.

The share in surplus or deficit of associates is shown on the face of the statement of financial results.

The financial statements of associates are prepared for the same reporting periods as those of the controlling entity. Where necessary, adjustments are made to bring the accounting policies of associates in line with those of the City.

Upon application of the equity method, the City determines whether it is necessary to recognize an additional impairment loss on the City's investment in its associates. At each reporting date, the City determines whether there is an objective evidence that the investment in the associate has been impaired.

If this is the case, the City calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount of impairment in the statement of financial results. However, when the City's share in losses of an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the City does not recognize any further losses, unless it has incurred obligations or made payments on behalf of the associate.

Upon loss of a significant influence over an associate, the City measures and recognizes any retaining investment at its carrying amount.

Foreign currency translation. The functional currency of each of the City's consolidated entities is the currency of the primary economic environment in which entities and institutions operate. The presentation currency of the City is the national currency of Ukraine, Ukrainian Hryvnia ("UAH").

Monetary assets and liabilities are translated into each entity's functional currency at the official exchange rates established by the National Bank of Ukraine (the "NBU") at the end of respective reporting periods. Foreign exchange gains and losses arising from the settlement of transactions and translation of monetary assets and liabilities into each entity's functional currency at the year-end official exchange rates of the NBU are recognized in surplus or deficit.

Foreign exchange rates of major currencies against UAH established by the National Bank of Ukraine as at 31 December 2017 and 2016 were as follows:

	As at 31 December 2017	As at 31 December 2016
UAH/USD	28.0672	27.1909
UAH/EUR	33.4954	28.4226

Foreign exchange gains and losses that relate to borrowings are presented in the statement of financial results within finance income or costs. All other foreign exchange gains and losses are presented in the statement of financial results within other operating expenses. Translation at the year-end rates does not apply to non-monetary items that are measured at historical cost. Non-monetary items measured at fair value in a foreign currency, including equity investments, are translated using the exchange rates at the date when the fair value was determined. Effects of exchange rate changes on non-monetary items measured at fair value in a foreign currency are recorded as part of the fair value gain or loss.



Property, plant and equipment. Property, plant and equipment are stated at revalued amounts, less accumulated depreciation and allowance for impairment, where required. Fair value is based on valuations carried out by external independent appraisers or internal specialists with relevant knowledge and experience. The frequency of future revaluations depends upon changes in the fair values of the assets being revalued. Increases in the carrying amount arising on future revaluations will be credited to other comprehensive income and result in the increase of the revaluation reserve. Decreases in the asset's carrying amounts that offset previous increases in the carrying amount of the same asset are recognized in other comprehensive income and result in the decrease of the previously recognized revaluation reserve. All other decreases in the carrying amount are charged to surplus or deficit. The revaluation reserve is transferred directly to retained earnings when the surplus is realized either on the retirement or disposal of the asset or as the asset is continued to be used by the City. In the latter case, the amount of the revaluation realized is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost. When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalized, and the carrying amount of the replaced component is written off. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognized in surplus or deficit as an expense when incurred.

Costs of minor repairs and maintenance are expensed when incurred. Cost of replacing major parts or components of property, plant and equipment items is capitalized and the replaced part is written off.

Property, plant and equipment are derecognized upon disposal or when no future economic benefits or service potential are expected from the continued use of the asset. Gains and losses on disposals determined by comparing proceeds with the carrying amount of property, plant and equipment are recognized in the consolidated statement of financial results.

At the end of each reporting period, the City's management assesses whether there is any indication of impairment of property, plant and equipment. If any such indication exists, the City's management estimates the recoverable amount, which is determined as the higher of an asset's fair value, less costs to sell, and its value in use. The carrying amount is reduced to the recoverable amount, and an impairment loss is recognized in surplus or deficit to the extent it exceeds the previous revaluation surplus. An impairment loss recognized in prior years is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last recognition of the impairment loss.

Depreciation. Depreciation on items of property, plant and equipment is calculated using the straight-line method to allocate their cost to residual values over their estimated useful lives:

- Land plots	Not depreciated
- Buildings and constructions	Up to 100 years
- Machinery and equipment	5–30 years
- Vehicles	10–40 years
- Tools, fixtures, and fittings	3–25 years
- Other PPE items	2–15 years
- Leasehold improvements	Over the term of the underlying lease

Leased assets include vehicles and production equipment, and other assets include furniture, fittings, and office equipment.

The assets' residual values and useful lives are reviewed and adjusted prospectively, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount, or cost of service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

Service concession assets. The City analyzes all aspects of service concession arrangements that it enters into. When the City acts as a grantor, it recognizes the service concession asset if the following conditions are met:

- The City controls or regulates the services that an operator should provide together with the asset and has the right to determine the conditions on which such services are rendered;
- The City controls, through ownership, beneficial entitlement or otherwise, any significant residual interest in the asset at the end of the arrangement.



Leased assets include vehicles and production equipment, and other assets include furniture, fittings, and office equipment.

The assets' residual values and useful lives are reviewed and adjusted prospectively, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount, or cost of service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

Service concession assets. The City analyzes all aspects of service concession arrangements that it enters into. When the City acts as a grantor, it recognizes the service concession asset if the following conditions are met:

- The City controls or regulates the services that an operator should provide together with the asset and has the right to determine the conditions on which such services are rendered;
- The City controls, through ownership, beneficial entitlement or otherwise, any significant residual interest in the asset at the end of the arrangement.

Any assets provided under service concession arrangements are accounted for as a separate group of property, plant and equipment. When an asset is reclassified as a service concession asset, the City also recognizes a liability at cost, which corresponds to service concession asset value.

The City recognizes liabilities under service concession arrangement using a financial liability model. According to this model, the City recognizes a liability to pay cash or another financial asset to the operator for the upgrade of the existing service concession asset or development of the new service concession asset related to the service concession arrangement.

Carrying amount of the assets decreases directly to its recoverable amount or its recoverable service amount, in case if carrying amount exceeds estimated recoverable amount of this asset or its recoverable service amount.

Investment property. Investment property includes items held to earn rentals and/or for capital appreciation. Investment property is measured initially at cost, including acquisition costs. Where an investment property is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition. Subsequent to initial recognition, investment property is measured at fair value. Gains and losses arising from changes in the fair value of investment property are included in surplus or deficit in the period in which they arise.

An investment property item is derecognized upon disposal or when the investment property is permanently withdrawn from use, and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in surplus or deficit in the period in which the property is derecognized.

Finance leases. Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the City. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The City also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the City will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases. Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the City. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term.

Rental income received from an operating lease is recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.



Impairment of non-financial assets

Impairment of cash-generating assets. At each reporting date the City should assess whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the City should estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value, less costs to sell, and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

A cash generating unit is the smallest group of assets that independently generates cash flow and whose cash flow is largely independent of the cash flows generated by other assets or groups of assets.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available.

When carrying value of an asset exceeds its recoverable amount, it is deemed that this asset is impaired and its value is decreased to the recoverable amount.

Impairment of non-cash-generating assets. At each reporting date the City should assess whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the City estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value, less costs to sell, and its value in use.

Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable amount.

In determining fair value, less costs to sell, the price of the assets in a binding agreement in an arm's length transaction is used and adjusted for incremental costs that would be directly attributed to the disposal of the asset. If there is no binding agreement, but the asset is traded on an active market, fair value, less cost to sell, is the asset's market price, less cost of disposal. If there is no binding sale agreement or active market for an asset, the City determines fair value, less cost to sell, based on the best available information.

For each asset, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the City estimates the asset's recoverable service amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable service amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such a reversal is recognized in surplus or deficit.

Intangible assets. Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Subsequent to initial recognition, intangible assets are carried at cost, less any accumulated amortization and accumulated impairment losses. The useful lives of the intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over their useful lives:

- Software 10 years.

Other intangible assets are accounted for using their useful lives, but not more than 20 years.

Intangible assets with finite useful lives are assessed for impairment whenever there is an indication that the assets may be impaired.



Amortization periods and methods for intangible assets with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The expense to amortize an intangible asset with a finite life is recognized in surplus or deficit as the expense category that is consistent with the nature of the intangible asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net proceeds on disposal and the carrying amount of the asset and are recognized in surplus or deficit when the asset is derecognized.

Financial instruments

Initial recognition and measurement. Financial assets within the scope of IPSAS 29 "Financial Instruments: Recognition and Measurement" are classified as financial assets at fair value through surplus or deficit, loans and receivables, or available-for-sale financial assets, as appropriate. The City determines the classification of its financial assets at initial recognition.

Purchases or sales of financial assets that require transfer of assets within time frames established by regulations or market conventions (regular way trades) are recognized on the trade date, i.e. the date that the City commits to purchase or sell the asset.

Subsequent measurement. The subsequent measurement of financial assets depends on their classification.

Loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are included into the calculation of an effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

De-recognition. The City derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when:

- Rights to receive cash flows from the asset have expired or been waived;
- The City has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without a significant delay to a third party; and either: (a) the City has transferred substantially all the risks and rewards of the asset; or (b) the City has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Available-for-sale investments. The City classifies available-for-sale financial assets as non-derivative financial assets that are designated as available for sale and are not classified as loans and receivables, held-to-maturity financial assets or financial assets at fair value through surplus or deficit.

After initial measurement, available-for-sale investments are subsequently measured at fair value, with gains or losses recognized directly in net assets through the statement of changes in net assets until the financial asset is derecognized, at which time the cumulative gain or loss is recognized in surplus or deficit.

Impairment of financial assets. At each reporting date, the City assesses whether there is an objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (a 'loss event' incurred), and that the loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be measured reliably.



Evidence of impairment may include the following:

- A debtor or a group of debtors are experiencing significant financial difficulties;
- Default or delinquency in interest or principal payments;
- A probability that debtors will enter bankruptcy or other financial reorganization;
- Observable data indicate a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with default).

Financial liabilities

Initial recognition and measurement. Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The City determines the classification of its financial liabilities at initial recognition.

All financial liabilities should be recognized initially at fair value and, in the case of loans and borrowings, including directly attributable transaction costs.

The City's financial liabilities include payables on primary activities, other payables, bank overdrafts, borrowings, borrowings from international organization, bonds of own issue, and finance lease obligations.

Subsequent measurement. Subsequent measurement of financial liabilities depends on their classification.

De-recognition. A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit.

Offsetting of financial instruments. Financial assets and financial liabilities are offset, with a subsequent inclusion of their net amounts to the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts, and there is an intention to settle them on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair value of financial instruments. The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid prices for long positions and ask prices for short positions).

Amortized cost is the amount at which the financial instrument was recognized at initial recognition, less any principal repayments, plus accrued interest, and for financial assets, less any write-down for incurred impairment losses. Accrued interest includes amortization of transaction costs deferred at initial recognition and of any premium or discount to maturity amounts using the effective interest rate method. Accrued interest income and accrued interest expense, including amortized discount or premium, are included in the carrying amounts of related items.

The effective interest rate method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or, if appropriate, a shorter period, to the net carrying amount of the financial instrument. The effective interest rate is used to discount cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount, which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortized over the whole expected life of the instrument. The present value calculation includes all fees paid or received by the contractual parties that are an integral part of the effective interest rate.

Inventories. Inventories are measured at the lower of cost and net realizable value. The cost of raw materials, spare parts, and goods is to be determined on the first-in, first-out basis ("FIFO"). The cost of non-replaceable goods and supplies is determined on the identified cost basis.



7. Special Purpose Consolidated Financial Information

The cost of finished goods comprises raw materials, direct labor, other direct costs, and an appropriate part of related production overheads based on the production output of homogeneous products. Net realizable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling costs.

Receivables from exchange and non-exchange transactions. Receivables from exchange transactions are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less an allowance for impairment. The allowance for impairment of receivables is created when there is an objective evidence that the City will not be able to collect all amounts due according to the original terms of the receivables.

Receivables from non-exchange transactions comprise the following components: taxes and charges payable to the City's budget. Those receivables are commonly measured at nominal amounts, i.e. the receivables reflect the amounts of taxes and charges payable.

Cash and cash equivalents. Cash and cash equivalents comprise cash on hand, bank deposits on demand, balances on the Treasury accounts, and highly liquid short-term investments with an original maturity of three months or less, which are readily convertible to known amounts of cash. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

Provisions. Provisions are recognized when the City has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of obligation can be measured reliably.

When the City expects that some or the entire provision be reimbursed (for example, under an insurance contract), the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the consolidated statement of financial results net of any reimbursement.

Contingent liabilities. The City does not recognize a contingent liability, but discloses details of any contingencies in the notes to the consolidated financial information, unless the possibility of an outflow of resources embodying economic benefits is remote.

Employee benefits. The cost of all short-term employee benefits, such as leave pays, is recognized during the period in which the employee renders the related services. The City recognizes the expected cost of performance bonuses only when the City has a present legal or constructive obligation to make such payments, and their amounts can be measured reliably.

Payments received in advance from non-exchange transactions. Payments received in advance from non-exchange transactions include taxes and charges received by the City before the occurrence of a tax event and are accounted for as the City's liabilities.

Net assets. Net assets represent a residual part in the City's assets after deduction of all of its liabilities. Net assets may be either positive or negative.

Budget information. The City's annual budget is performed on a cash basis. Reconciliation of budget revenues and expenses is presented in the report on Kyiv City's budget performance. As a result of application of cash basis principles for budgeting purposes, differences arise due to using different accounting principles, terms, or business entities, which requires reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial report.

General Fund. The General Fund of the budget ensures for financing primary functions and tasks of the state and local communities. The General Fund of the budget comprises the following:

- All budget revenues, except for those which refer to the budget's Special Fund;
- All budget expenditures financed at the cost of the General Fund's proceeds;
- Budget lending facilities (repayment of general purpose borrowings to the budget and granting loans from the General Fund's budget proceeds);
- Financing the General Fund of the budget.



Special fund. The Special Fund of the budget provides for special purpose use of budget funds in accordance with their intended purpose. In the Special Fund, specific proceeds correspond to specific expenditures. Capital expenditures may be incurred only within the limits of the Special Fund. The budget's Special Fund has the following components:

- Special purpose budget revenues (including own revenue proceeds of budget institutions);
- Budget expenditures made at the cost of specifically identified proceeds of the budget's Special Fund (including own revenue proceeds from budget institutions);
- Budget lending facilities (repayment of special purpose borrowings to the budget and granting loans from the budget at the cost of specifically identified proceeds of the budget's Special Fund);
- Financing the Special Fund of the budget.

Revenue from non-exchange transactions

Taxes and charges. Revenues from taxes and charges are measured at fair value and recognized when the event occurs provided the asset recognition criteria are met. Deferred income is recognized in the event the conditions occur that give rise to a liability to repay the relevant amount. Other revenue from non-exchange transactions are recognized when it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the fair value of the asset can be measured reliably.

Transfers from other government entities. Revenue from non-exchange transactions with other government entities are measured at fair value and recognized upon obtaining control of the asset (cash, goods, services, and properties) if the transfers are not encumbered by covenants, and it is probable that the economic benefits or service potential related to the asset will flow to the City, and its value can be measured reliably.

Revenue from exchange transactions

Rendering of services. The City recognizes revenue from service rendering with reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured with reference to the stage of completion on the basis of the actual service provided as portion of the services to be provided. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sales of products. Revenue from sales of products (goods or other assets) is recognized when all conditions listed below are met: the significant risks and rewards of ownership of products (goods or other assets) have been transferred to the buyer; an entity does not subsequently exercise management and control over the products (goods or other assets) sold; the amount of revenue can be measured reliably; and it is probable that the economic benefits or service potential associated with the transaction will flow to the entity and the related expenses can be measured reliably.

Rental income. Rental income is recorded in the accounting period in which the services are rendered with reference to the stage of completion of a specific service assessed on the basis of the actual services rendered.

Revenue from construction contracts. Where the outcome of a construction contract can be measured reliably, revenue and costs associated with the construction contract are recognized as revenues and costs, respectively, with reference to the stage of completion of activities under the contract at the end of the reporting period. Losses estimated to arise on construction contracts are expensed as incurred.

Taxes

Income taxes. Income taxes have been provided for in this consolidated financial information in accordance with the Ukrainian legislation enacted or substantively enacted as at the reporting date. The income tax charge/credit comprises current taxes and deferred taxes, and is recognized in surplus or deficit, except for the instances when it relates to operations recognized directly in other comprehensive income or directly in equity, in the same or different period.

Current tax is the amount expected to be paid to, or recovered from, the tax authorities in respect of taxable profits or losses for the current and prior periods. Other taxes other than on income are recorded within operating expenses.



Deferred tax. Deferred income tax is provided using the balance sheet liability method for tax losses carried forward and temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. In accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction, other than a business combination, if the transaction, when initially recorded, affects neither accounting nor taxable profits.

Deferred tax balances are measured at tax rates that are enacted as at the reporting date and which are expected to be applied in the period when the temporary differences are going to be reversed or the tax losses carried forward are going to be utilized.

Deferred tax assets arising from deductible temporary differences and tax losses carried forward are recognized only to the extent that it is probable that the temporary differences are going to be reversed in future, and there are sufficient future taxable profits available against which the temporary differences can be utilized.

Value added tax ("VAT"). VAT is charged at two rates: 20% applies to the supply of goods or services where the supply takes place in Ukraine, including supplies without direct payments, and the import of goods to Ukraine (unless such supplies are not expressly exempt by the legislation); 0% applies to the export of goods and related services. Output VAT on the sale of goods and services is accounted for on the date the goods/services are delivered to a customer or the date the payment is received from the customer, whichever is earlier. Input VAT is accounted for as follows: entitlement to an input tax credit for purchases arises when VAT invoice is received that is issued on the earlier of the date of payment to the supplier or the date on which the goods/services are received or entitlement to an input tax credit for imported goods or services arises on the date the tax is paid.

Prepayments to suppliers and advances from customers are disclosed net of VAT balances as it is expected that such balances will be settled by delivery of the underlying goods or services.

Related parties. Parties are generally considered to be related if one party has the ability to control the other party, is under common control, or can exercise a significant influence or joint control over the other party in making financial and operational decisions.

Related parties include:

- Parties that are, directly or indirectly, either under common control with the entity or have a significant or joint control over the City;
- Parties that are associates of the City;
- Individuals who, directly or indirectly, own shares in the reporting entity, which gives them a significant influence over the entity, and close family members of such individuals;
- Key management personnel of the City and their close family members;
- Entities in which a substantial ownership share, directly or indirectly, is owned by the person referred to in the paragraphs three or four, or those for which that person is able to exercise a significant influence.

4. Critical accounting estimates and judgments used in applying accounting policies

Management of the City makes judgments and estimates in applying accounting policies. Estimates and judgments are consistently assessed and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Judgments that have the most significant effect on the amounts recognized in the consolidated financial information and estimates that can cause a significant adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:



Assessment of receivables from exchange transactions. Receivables from exchange transactions, including receivables from households for utilities, are reviewed for impairment on an ongoing basis. In determining whether impairment charge should be recorded in surplus/(deficit) for the reporting period, the City analyzes aging of receivables on exchange transactions. Depending on the overdue period, the City applies the following provisioning rates:

- Less than 179 days overdue – 0%;
- From 180 to 365 days overdue – 50%;
- More than 365 days overdue – 100%.

Assessment of investments in associates and subsidiaries. The City owns 393 municipal entities and 1,508 budget institutions. The consolidated financial information includes financial information about 284 municipal entities and 1,508 budget organizations (2016: 290 municipal entities and 1,517 budget organizations) that submitted their financial statements for 2017. 109 municipal entities not included into the consolidated financial information are in the process of reorganization or liquidation or are not material for the City.

In addition, the City has investments in 37 entities (2016: 38 entities), with ownership interests ranging from 1% to 100%, including 9 entities the corporate rights to which owned by the Kyiv City's community are placed in management of district state administrations (2016: 10 entities). As at 31 December 2017, the City had no control or significant influence over 13 entities, of which 6 were in the stage of liquidation, and 7 entities were dormant. As at 31 December 2016, the City had no control or significant influence over 16 entities, of which 9 entities were in the stage of liquidation, and 7 entities were dormant. 17 entities that were immaterial for the consolidated financial information failed to provide their financial statements as at 31 December 2017 (2016: 15 entities). Consequently, investments in such entities were not classified as associates or subsidiaries. Assets, liabilities, and financial results of such entities were not included into the consolidated financial information as at 31 December 2017 and 2016.

Deferred income. Management applies significant judgments regarding recognition of liabilities on the assets received free of charge from real estate developers and other investors. In some cases, there are no contractual commitments regarding the transfer of assets, however, considering that the City has certain obligations on servicing those assets that are related to rendering public utilities to households, the City believes that revenue from the assets received free of charge may be recognized during the depreciation period of those assets.

Investment property. Management uses significant judgments when classifying non-current assets as property, plant and equipment or investment property. The City's management believes that the assets held for rendering social services, e.g. leasing to public organizations, artistic unions, state-owned and municipal budget institutions at the lower than market rates, shall not be treated as investment property and shall be classified as property, plant and equipment. Management assumes that, as such, assets are held for rendering social services and not for rental income or capital appreciation, and the gain earned is related to the purposes for which such assets are held. Such properties do not belong to the category of investment property and are accounted for in accordance with the requirements of IPSAS 17 "Property, plant and equipment".

Classification of certain items of the consolidated financial information. The consolidated financial information regarding service concession assets and non-current assets held for sale and disposal groups is presented in Notes 6 "Property, plant and equipment" and 14 "Other non-current assets", respectively. The City classified the whole amount of increased assets granted in concession to PJSC "KYIVENERGO" for 2017 in the line "Revaluation of property, plant and equipment" in Note 6 "Property, plant and equipment" due to absence of more detailed information in the public financial statements of PJSC "KYIVENERGO" for the year ended 31 December 2017.

Information about other taxes and charges is presented in Note 30 "Taxes and other charges to the Special Fund", in line "Other taxes and charges".

In the consolidated financial information for the year ended 31 December 2017, the City reclassified certain revenues from subsidies to the consolidated statement of financial results, which had no significant impact on the figures of the consolidated financial information. Respective changes were made in the consolidated financial information for the year ended 31 December 2016 to bring it in compliance with the basis of presentation used in preparing the consolidated financial information for the current year.



5. Related party transactions

Key management personnel. Information about operations with key management personnel is presented below.

Key management personnel is represented by Head of the Kyiv City State Administration, his deputies and directors of departments who, taken together, make up the governing body of the City. During 2017, total remuneration to 32 members of the Kyiv City State Administration's management personnel amounted to UAH 13,471 thousand (2016: UAH 9,237 thousand).

Remuneration to key management personnel for 2017 was as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	Annual payroll	Social charges	Total annual payroll and related charges
Head of the Kyiv City State Administration	187	41	228
First Deputy Head of the Kyiv City State Administration	596	102	698
Deputies of the Head of the Kyiv City State Administration (6 persons)	2,674	502	3,176
Head of the Executive Office of the Kyiv City State Administration	201	44	245
Director of Economy and Investments Department	352	71	423
Director of Internal Financial Control and Audit Department	276	61	337
Director of Housing and Utility Infrastructure Department	285	63	348
Director of Finance Department	373	72	445
Director of Public Communication Department	365	75	440
Director of Urban Development and Architecture Department	353	75	428
Director of Education and Science, Youth and Sports Department	344	76	420
Director of Culture Department	357	78	435
Director of Kyiv City's Municipal Property Department	332	66	398
Director of Land Resource Department	357	71	428
Director of Health Care Department	348	77	425
Director of Social Policies Department	411	91	502
Director of Industry and Entrepreneurial Development Department	254	56	310
Director of Administrative Services Department (Center)	435	81	516
Director of Construction and Housing Department	360	79	439
Director of Urban Improvement and Environmental Protection Department	370	74	444
Director of Transport Infrastructure Department	151	33	184
Director of Department for State Architectural and Construction Control in the Kyiv City	324	59	383
Director of Registration Department	401	74	475
Director of Information and Communication Technologies Department	355	65	420
Director of Self-Governing Control Department (Inspection)	404	89	493
Head of Tourism and Promotion Department	117	26	143
Head of Advertising Department*	13	3	16
Total	10,995	2,204	13,199

* In 2017, a new Head of Advertising Department was appointed who took office on 11 December 2017.



Remuneration to key management personnel for 2016 was as follows :

	Annual payroll	Social charges	Total annual payroll and related charges
<i>In Ukrainian Hryvnias and in thousands</i>			
Head of the Kyiv City State Administration	148	33	181
First Deputy Head of the Kyiv City State Administration	352	77	429
Deputies of the Head of the Kyiv City State Administration (6 persons)	1,805	397	2,202
Head of the Executive Office of the Kyiv City State Administration	263	58	321
Director of Economy and Investments Department	287	63	350
Director of Internal Financial Control and Audit Department	282	62	344
Director of Housing and Utility Infrastructure Department	357	79	436
Director of Finance Department	323	62	385
Director of Public Communication Department	272	58	330
Director of Urban Development and Architecture Department	188	41	229
Director of Education and Science, Youth and Sports Department	260	57	317
Director of Culture Department	254	55	309
Director of Kyiv City's Municipal Property Department	274	58	332
Director of Land Resource Department	265	58	323
Director of Health Care Department	196	35	231
Director of Social Policies Department	307	67	374
Director of Industry and Entrepreneurial Development Department	262	58	320
Director of Administrative Services Department (Center)	349	69	418
Director of Construction and Housing Department	246	48	294
Director of Urban Improvement and Environmental Protection Department	256	49	305
Director of Transport Infrastructure Department	183	40	223
Director of Department for State Architectural and Construction Control in the Kyiv City	118	26	144
Director of Information and Communication Technologies Department	42	9	51
Director of Self-Governing Control Department (Inspection)	319	70	389
Total	7,608	1,629	9,237



6. Property, plant and equipment

<i>In Ukrainian Hryvnias and in thousands</i>	Land plots	Buildings and construc- tions	Machinery and equipment	Vehicles	Construc- tion in progress	Service conces- sion assets	Other property, plant and equipment	Total
Cost	6,530,176	83,517,441	5,075,355	16,251,510	10,452,677	4,691,932	4,100,601	130,619,692
Accumulated depreciation	-	(44,916,615)	(3,099,112)	(10,602,675)	-	(766,366)	(1,518,259)	(60,903,027)
Net book value as at 31 December 2015	6,530,176	38,600,826	1,976,243	5,648,835	10,452,677	3,925,566	2,582,342	69,716,665
Additions, disposals, and other transfers	1,488,827	2,546,836	759,463	916,866	3,312,053	163,106	161,283	9,348,434
De-recognition of residential property as a result of privatization	-	(2,670,674)	-	-	-	-	-	(2,670,674)
Transfers to investment property	-	-	-	-	-	-	-	-
Revaluation of property, plant and equipment	2,190,999	329,059	4,687	47	-	-	2,645	2,527,437
Depreciation charge for the period	-	(2,295,840)	(269,620)	(517,557)	-	(268,220)	(245,612)	(3,596,849)
Cost	10,210,002	83,722,662	5,839,505	17,168,423	13,764,730	4,855,038	4,264,529	139,824,889
Accumulated depreciation	-	(47,212,455)	(3,368,732)	(11,120,232)	-	(1,034,586)	(1,763,871)	(64,499,876)
Net book value as at 31 December 2016	10,210,002	36,510,207	2,470,773	6,048,191	13,764,730	3,820,452	2,500,658	75,325,013
Additions, disposals, and other transfers	409,872	2,087,262	1,827,109	1,792,540	4,834,950	-	469,358	11,421,091
De-recognition of residential property as a result of privatization	-	-	-	-	-	-	-	-
Transfers to investment property	-	-	-	-	-	-	-	-
Revaluation of property, plant and equipment	986,333	2,588,065	287	3,093,320	-	5,378,029	163	12,046,197
Depreciation charge for the period	-	(2,595,821)	(393,883)	(656,584)	-	(468,710)	(330,125)	(4,445,123)
Cost	11,606,207	88,397,989	7,666,901	22,054,283	18,599,680	10,233,067	4,734,050	163,292,177
Accumulated depreciation	-	(49,808,276)	(3,762,615)	(11,776,816)	-	(1,503,296)	(2,093,996)	(68,944,999)
Net book value as at 31 December 2017	11,606,207	38,589,713	3,904,286	10,277,467	18,599,680	8,729,771	2,640,054	94,347,178



6. Property, plant and equipment (continuation)

During 2017, some entities revalued their land plots, in particular, for rental indexation purposes, as well as buildings and constructions. For this purpose, independent appraisers were engaged to determine the fair value of property, plant and equipment.

Property, plant and equipment also include the non-residential premises of municipal ownership leased to public organizations, artistic unions, budget institutions of municipal and state ownership at the rental rate of UAH 1 per year in accordance with the Law of Ukraine "On Leases of State-Owned and Municipal Properties" and the Regulation on Rent of the Properties Owned by the Territorial Community of the Kyiv City approved by Resolutions of the Kyiv City Council # 34/6250 dated 22 September 2011 and # 415/1280 dated 21 April 2015.

Also, the category of Buildings and Constructions includes municipal items which, pursuant to relevant resolutions of the Kyiv City Council, were transferred free of charge to the management area of executive bodies, law enforcement agencies, judicial authorities, etc. without changing their titles of ownership. Total space of those items as at 31 December 2017 amounted to 175.69 thousand square meters (2016: 175.69 thousand square meters).

Such terms of lease and free of charge transfers lead to significant shortfalls in the City's revenue.

Total area of Kyiv City's lands as at 31 December 2017 and 2016 amounted to 83.6 thousand hectares. According to the City's management's estimates, as at 31 December 2017, 71.9 thousand hectares (2016: 70.1 thousand hectares) were in municipal ownership, 7.2 thousand hectares (2016: 9 thousand hectares) were in state ownership, and 4.5 thousand hectares (2016: 4.5 thousand hectares) were privately owned. Currently, due to the absence of a single complete actual register of land and due to the absence of registered state acts of ownership rights to the majority of land plots, the City is unable to determine reliably the area of land held in municipal ownership. Most of the land of Kyiv City's community, as at 31 December 2017 and 2016, was not included into the State Cadastral Register and was not recognized on balance sheets of relevant municipal entities and budget institutions of the City. Those land plots were recognized by the City in the consolidated financial information at the value equal to nil.

Service concession assets. As at 31 December 2017 and 2016, service concession assets consisted of energy and heat supply facilities used to provide energy and heat supply services to consumers in Kyiv. In 2001, the City community transferred energy and heat supply facilities into ownership and use by PJSC "KYIVENERGO" by 2017 under the service concession arrangement within the framework of the City's power sector management and reform project. The concession agreement was signed on 27 September 2001 and was effective until 31 December 2017. According to the terms and conditions of the main and supplementary agreements, in the event that neither party notifies in writing about the agreement's termination, it is considered to be extended for the next 5 years.

Pursuant to Resolution of the Kyiv City Council dated 20 June 2017, the concession agreement with PJSC "KYIVENERGO" was decided to be terminated effective from 27 April 2018. In accordance with Order of the Kyiv City Council dated 27 December 2017, Municipal Entity "Kyivteploenergo" was determined as the entity to be responsible for business management of the municipal properties of the territorial community of the Kyiv City repossessed from the ownership and use by PJSC "KYIVENERGO".

For the use of the municipal property, PJSC "KYIVENERGO" shall pay a concession fee to the City's community in the amount of 10% of net profits generated by the company for the previous budget year, but not less than UAH 2,000 thousand per year.

Any renovations, upgrades, or improvements of the said assets shall be the municipal property of the City's community. Improvements made and funded by the company that cannot be separated without damaging the underlying assets shall be reimbursed by the City's community during the term of the agreement.

As at 31 December 2017 and 2016, total improvements of municipal property to be reimbursed amounted to UAH 352,982 thousand (Note 17).

The fair values of municipal properties held and operated by PJSC "KYIVENERGO" were assessed by a certified independent appraiser as at 1 November 2011 by using mainly the depreciated replacement cost method. The fair values of municipal properties held and operated by PJSC "KYIVENERGO", according to the public financial statements of PJSC "KYIVENERGO", increased from UAH 3,820,452 thousand as at 31 December 2016 to UAH 8,729,771 thousand as at 31 December 2017 mainly as a result of the revaluation performed by an independent appraiser as at 31 October 2017.



Heritage and cultural assets. Heritage and cultural assets are the assets owned by the City that have one or more of the following characteristics:

- Historical or natural significance;
- Cultural, educational, or artistic importance; and/or
- Significant architectural characteristics.

7. Investment property

As at 31 December 2017 and 2016, investment property was represented by non-residential buildings and constructions leased to commercial entities on market-based terms and conditions.

8. Intangible assets

	Property use rights and industrial property	Software	Other intangible assets	Total
<i>In Ukrainian Hryvnias and in thousands</i>				
Cost	120,868	50,333	222,065	393,266
Accumulated depreciation and impairment	(71,646)	(33,804)	(101,727)	(207,177)
Net book value as at 31 December 2015	49,222	16,529	120,338	186,089
Additions	5,045	102	6,897	12,044
Disposals	(35,047)	-	(10,055)	(45,102)
Depreciation charges for the period	(2,009)	(2,725)	(68,171)	(72,905)
	(32,011)	(2,623)	(71,329)	(105,963)
Cost	90,866	50,435	218,907	360,208
Accumulated depreciation and impairment	(73,655)	(36,529)	(169,898)	(280,082)
Net book value as at 31 December 2016	17,211	13,906	49,009	80,126
Additions	44,618	6,625	205,400	256,643
Disposals	(2,639)	(2,270)	(134,591)	(139,500)
Depreciation charges for the period	(274)	(1,202)	(19,729)	(21,205)
	41,705	3,153	51,080	95,938
Cost	132,845	54,790	289,716	477,351
Accumulated depreciation and impairment	(73,929)	(37,731)	(189,627)	(301,287)
Net book value as at 31 December 2017	58,916	17,059	100,089	176,064

9. Investments accounted for using equity method

In June 2016, the National Bank of Ukraine took a decision to revoke the banking license of PJSC CB "Khreshchatyk" and liquidate it. Correspondingly, the total investments of the City with the carrying amount of UAH 23,947 thousand as at 31 December 2015 was recognized in other expenses of the consolidated statement of financial results for 2016.

As at 31 December 2017 and 2016, the carrying amounts of investments accounted for using equity method was equal to nil.



10. Receivables from exchange transactions

In Ukrainian Hryvnias and in thousands

	31 December 2017	31 December 2016
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Long-term receivables from exchange transactions	117,019	89,550
Total long-term receivables from exchange transactions	117,019	89,550

Current receivables

Receivables for goods and services	3,678,792	3,014,693
Other receivables from exchange transactions	1,672,562	1,571,704
Allowance for estimated irrecoverable amounts	(2,203,479)	(1,399,899)
Total financial receivables	3,147,875	3,186,498

VAT settlements	198,874	155,205
Prepayments made	1,312,346	525,605
Allowance for estimated irrecoverable amounts	(314,831)	(62,559)
Total current receivables	4,344,264	3,804,749

Reconciliation of allowance for impairment of receivables is provided below:

<i>In Ukrainian Hryvnias and in thousands</i>	2017 Allowance amount	2016 Allowance amount
As at 1 January 2017	1,462,458	2,147,036
Change in allowance in the reporting period	1,055,852	(684,578)
As at 31 December 2017	2,518,310	1,462,458

Analysis of financial receivables by credit quality is as follows:

In Ukrainian Hryvnias and in thousands

	31 December 2017	31 December 2016
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Neither past due nor impaired, other than receivables from households for utilities

Receivables for services and goods provided	1,275,872	1,548,289
Other receivables from exchange transactions	1,164,475	968,926
Total neither past due nor impaired	2,440,347	2,517,215

Past due, but not impaired, other than receivables from households for utilities

From 1 to 30 days	363,959	25,165
From 31 to 90 days	48,577	7,295
From 91 to 180 days	20,145	6,140
Total past due, but not impaired	432,681	38,600

Past due and impaired, other than receivables from households for utilities

From 181 to 360 days	9,829	7,261
Over 360 days	1,562,816	407,707
Total past due and impaired	1,572,645	414,968

Receivables from households for utilities	1,022,700	1,389,307
Other receivables	-	315,857
Total financial receivables	5,468,373	4,675,947

Allowance for estimated irrecoverable amounts	(2,203,479)	(1,399,899)
Total financial receivables, net of allowance	3,264,894	3,276,048



11. Inventories

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Apartments and non-residential premises	4,885,999	4,227,543
Construction in progress under construction contracts	2,614,967	3,489,518
Auxiliary and other materials	1,020,191	485,427
Spare parts	787,033	178,532
Merchandise for resale	389,793	172,853
Finished goods and work in progress	119,597	20,158
Other inventories	1,454,981	1,058,548
Total inventories	11,272,561	9,632,579

12. Receivables from non-exchange transactions

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Receivables from planned allocation of expenditures to benefits and subsidies to households	1,361,191	966,070
Receivables from land tax	1,198,983	689,643
Receivables from corporate income tax	1,138,200	397,062
Receivables from personal income tax	413,598	342,631
Receivables from other taxes and charges of the General and Special Fund	242,955	181,916
Receivables from excise tax	55,191	13,975
Total receivables from non-exchange transactions	4,410,118	2,591,297

Accounts receivable from planned allocation of expenditures to benefits and subsidies to households attributable to municipal entities arose as a result of relevant debts of the local budget on expenditures for benefits and housing subsidies to households on payments for energy, natural gas, heat and water supply and water disposal services, housing rent, removal of domestic waste and refuse. The main reason for origination of this debt was the failure to ensure for planned allocation of expenditures to benefits and subsidies to households on behalf of the state.

13. Cash and cash equivalents

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Treasury accounts	3,400,952	4,100,004
Accounts with banks	1,438,297	1,066,236
Cash on hand and in transit	360,675	312,505
Short-term deposits	272,365	114,674
Other cash and cash equivalents	1,751	1,755
Total cash and cash equivalents	5,474,040	5,595,174

Analysis of cash and cash equivalents by credit quality is presented below based on Moody's ratings, where available, or ratings assigned by other international rating agencies converted to the nearest equivalent on the Moody's rating scale.



Analysis of cash and cash equivalents as at 31 December 2017 was as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	Accounts with banks	Treasury accounts	Short-term deposits	Other cash	Total
Moody's rating					
Caa2	198	-	-	-	198
Caa3	268,608	3,400,952	6,110	-	3,675,670
Unrated	1,169,491	-	354,565	274,116	1,798,172
Total cash and cash equivalents	1,438,297	3,400,952	360,675	274,116	5,474,040

Analysis of cash and cash equivalents as at 31 December 2016 was as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	Accounts with banks	Treasury accounts	Short-term deposits	Other cash	Total
Moody's rating					
Caa2	327	-	-	-	327
Caa3	183,892	4,100,004	34,021	-	4,317,917
Unrated	882,017	-	80,653	314,260	1,276,930
Total cash and cash equivalents	1,066,236	4,100,004	114,674	314,260	5,595,174

14. Other non-current assets

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Municipal property held for sale	303,404	66,185
Prepayments for property, plant and equipment	32,588	417,372
Cash on accounts with non-performing banks	4,392	8,128
Other non-current assets held for sale	228	232
Other	5,020	4,350
Total other non-current assets	345,632	496,267

15. Borrowings

Long-term borrowings of the City are presented as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Borrowing from the Ministry of Finance of Ukraine	9,853,447	9,545,777
Borrowings from international organizations	1,420,093	1,478,648
Bank borrowings	92,917	268,863
Finance leases	-	1,657
Other long-term borrowings	31,000	23,000
Total long-term borrowings	11,397,457	11,317,945



7. Special Purpose Consolidated Financial Information

Short-term borrowings of the City are presented as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Treasury borrowings	3,688,454	3,688,454
Eurobonds	2,838,972	2,750,328
Borrowings from international organizations	458,511	413,331
Finance leases	373,220	509,063
Bank borrowings	187,613	43,618
Interest accrued on the borrowing from the Ministry of Finance of Ukraine	117,998	114,162
Other short-term borrowings	3	8,094
Total short-term borrowings	7,664,771	7,527,050

Analysis of borrowings by currency is presented below:

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
USD	12,897,597	12,435,213
UAH	4,373,707	4,519,209
EUR	1,790,924	1,890,479
Other	-	94
Total borrowings	19,062,228	18,844,995

Presented below is analysis of borrowings by maturity:

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
In default	3,210,535	2,750,328
With undetermined maturity	13,541,901	13,234,231
Less than 6 months	340,443	354,167
From 6 to 12 months	310,312	734,007
From 1 to 5 years	1,470,318	1,747,222
Over 5 years	188,716	24,946
Other	3	94
Total borrowings	19,062,228	18,844,995

Summarized below are interest rates on borrowings:

	31 December 2017	31 December 2016
Borrowing from the Ministry of Finance of Ukraine	7.75%*	7.75%*
Eurobonds	8%	8%
Finance leases	22%	22%
Bank borrowings	19%–21.5%	26%
Borrowings from international organizations	0.01%–6.9%	0.01%–6.9%

* When settling the borrowing from the Ministry of Finance of Ukraine, the City shall compensate in full the costs of the Ministry of Finance of Ukraine for foreign government loan bonds of Ukraine during the period from 2015 to 2020 and government derivatives during the period from 2020 to 2040. The said interest rate corresponds to the nominal coupon rate of Foreign Government Loan Bonds of Ukraine. The City is unable to determine reliably the effective interest rate on the borrowing from the Ministry of Finance of Ukraine, since expenses for servicing government derivatives during the period from 2020 to 2040 cannot be reliably estimated.



Movements in borrowings are presented below:

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Borrowings as at the beginning of the year	18,844,994	20,123,346
Borrowings received	1,416,365	440,193
Borrowings repaid	(1,891,664)	(3,422,273)
Interest accrued	836,030	1,106,021
Interest paid	(830,971)	(1,002,981)
Foreign currency exchange differences	687,474	1,600,689
Borrowings as at the end of the year	19,062,228	18,844,995

Key sources generating the City's debt are explained below.

Eurobonds and the borrowing from the Ministry of Finance of Ukraine. In 2015, Eurobonds of 2005 and 2011 issues were restructured, with the total amount of local debt on them amounting to USD 550,000 thousand (UAH 12,918,221 thousand at the date of restructuring).

Within the restructuring process, a part of the debt in the amount of USD 448,851 thousand (UAH 10,542,466 thousand at the restructuring date) was transferred to the state debt of Ukraine through an additional issue and placement of Foreign Government Loan Bonds of Ukraine (at the coupon rate of 7.75%) and government derivatives, with write-off of the part of the debt in the amount of USD 97,785 thousand (UAH 2,299,728 thousand at the date of restructuring).

In accordance with Resolution of the Cabinet of Ministers of Ukraine # 1040 dated 18 December 2015 and the agreement entered into between the Ministry of Finance of Ukraine and the Kyiv City Council, the City shall compensate in full the costs of the Ministry of Finance of Ukraine for Foreign Government Loan Bonds of Ukraine during the period from 2015 to 2020 and government derivatives during the period from 2020 to 2040. The said interest rate corresponds to the nominal coupon rate of Foreign Government Loan Bonds of Ukraine. The City is unable to determine reliably the effective interest rate on the borrowing from the Ministry of Finance of Ukraine, since expenses for servicing government derivatives during the period from 2020 to 2040 cannot be reliably estimated.

As at 31 December 2017 and 2016, included in short-term borrowings of the City were liabilities to Eurobonds holders who refused to participate in the restructuring process in the amount of USD 101,149 thousand (UAH 2,838,972 thousand as at 31 December 2017 and UAH 2,750,328 thousand as at 31 December 2016). As at 31 December 2017 and 2016, the City suspended servicing the debt under those Eurobonds.

Treasury borrowings. Under the Budget Code of Ukraine, Article 73, Paragraph 3 (effective until 1 January 2015), according to the relevant local council's decision, local state administrations and executive bodies of relevant local councils could receive medium-term repayable non-interest bearing borrowings from the single Treasury account in the amount of estimated income budget deficit as defined in the State Budget Law of Ukraine for the respective reporting period. The procedure and conditions of receipt and repayment for these borrowings were defined by the Cabinet of Ministers of Ukraine. In the period from 2009 to 2013, the City received UAH 3,761,755 thousand of medium-term borrowings. In 2014, the City repaid UAH 73,301 thousand of borrowings. On 28 December 2014, amendments to the Budget Code were made under which repayment of the outstanding medium-term borrowings to the State Budget accounted for at the State Treasury Service of Ukraine was postponed until further legislative guidance. Accordingly, in 2017 and 2016, the City did not make payments on those borrowings.

Finance leases. In 2009, the City entered into a finance lease arrangement in respect of underground railway carriages. Financial leases carry a contractual interest rate of 22% p.a. and are repayable on 10 February 2018.

Borrowings from international organizations. In 2008, the City concluded an agreement with European Bank for Reconstruction and Development on granting a credit line in the amount of EUR 115,000 thousand for the development of Kyiv City's municipal transport. The borrowing balance as at 31 December 2017 and 2016 was EUR 50,436 thousand and EUR 64,110 thousand, respectively. In accordance with the terms of the agreement, this borrowing is repayable in 2021 and bears the interest rate that was effective during 2017 of EURIBOR+5.75%.



7. Special Purpose Consolidated Financial Information

In 2013, the City concluded an agreement with Nordic Environment Financial Corporation on granting loans in the amount of EUR 5,000 thousand and UAH 4,000 thousand for the implementation of measures on improved energy efficiency.

The outstanding EUR-denominated borrowing as at 31 December 2017 and 2016 amounted to EUR 3,031 thousand and EUR 2,403 thousand, respectively. In accordance with the terms and conditions of the agreement, the borrowing shall be repayable in 2021, with the interest rate amounting to 6.9%.

The outstanding UAH-denominated borrowing as at 31 December 2017 and 2016 amounted to UAH 500 thousand and UAH 1,500 thousand, respectively. In accordance with the terms and conditions of the agreement, the borrowing shall be repayable in 2018, with the interest rate amounting to 3%.

16. Non-current provisions

Movements in provisions for liabilities and charges are as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	Provisions for liabilities under construction contracts	Other	Total
Balance at 1 January 2016	529,123	4,997	534,120
Charges in the current year	-	-	-
Utilization of the provision	(473,173)	(1,215)	(474,388)
Balance at 31 December 2016	55,950	3,782	59,732
Charges in the current year	-	19,508	19,508
Utilization of the provision	(55,950)	-	(55,950)
Balance at 31 December 2017	-	23,290	23,290

Provisions for liabilities under construction contracts are created based on the estimates of cash or assets to be transferred to lenders under construction contracts.

Other provisions are created based on the probable amount required to cover the provision and included in current expense immediately. Provisions are utilized only for the purposes for which they were originally created and re-measured at each reporting date.

17. Other non-current liabilities

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Non-current liabilities in respect of State Budget financing	1,901,374	551,448
Non-current liabilities under construction contracts	1,047,110	1,803,560
Liabilities to reimburse improvements of property, plant and equipment (service concession arrangements)	352,982	352,982
Other non-current liabilities	3,163,387	1,249,461
Total other non-current liabilities	6,464,853	3,957,451

Non-current liabilities under construction contracts include investor contributions under investment contracts on construction of residential and other real estate properties.

18. Deferred income

As at 31 December 2017 and 2016, deferred income in the amount of UAH 3,483,809 thousand and UAH 2,515,991 thousand, respectively, was represented by special purpose funding from the State Budget, other special purpose financing, and assets received free of charge from third parties.



19. Payables under exchange transactions

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Advances received	4,563,294	4,900,552
Payables for goods, works, services	3,605,466	3,227,797
Payables to employees	149,987	126,024
Payables to third parties	1,938	61,073
Other payables	891,406	1,373,331
Total payables under exchange transactions	9,212,091	9,688,777

20. Taxes and transfers payables

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
VAT payable	239,375	105,692
Payables on transfers to the Pension Fund of Ukraine	42,775	45,240
Payables on other taxes and transfers	32,687	65,249
Other payables on taxes and transfers	209,890	173,878
Total taxes and transfers payables	524,727	390,059

21. Payments received in advance from non-exchange transactions

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Prepaid corporate income tax	707,735	887,638
Prepaid personal income tax	621,784	523,691
Prepaid other taxes and charges to the General and Special Funds	587,145	420,833
Prepaid land tax	296,432	283,134
Prepaid excise tax	62,303	34,359
Total payments received in advance from non-exchange transactions	2,275,399	2,149,655



22. Current provisions

During 2017, movements in provisions for liabilities and charges were as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	Provisions for liabilities under construction contracts	Provisions for litigation	Provisions for unused vacations	Other	Total
Balance at 31 December 2015	70,445	193,172	133,026	69,136	465,779
Charges in the current year	35,790	386,633	188,327	20,125	630,875
Utilization of provision	-	(108,122)	(200,300)	60,521	(247,901)
Balance at 31 December 2016	106,235	471,683	121,053	149,782	848,753
Charges in the current year	(45,290)	69,719	381,256	5,070	410,755
Utilization of provision	-	(23,268)	(251,061)	(63,989)	(338,318)
Balance at 31 December 2017	60,945	518,134	251,248	90,863	921,190

Provisions for liabilities under construction contracts were created using the estimated funds or assets to be transferred to lenders under the terms and conditions of construction contracts.

Included in provisions for litigation were recognized penalty sanctions under legal cases regarding untimely payment of energy invoices.

Other provisions are created based on the probable amount that would be required to cover the provisions and included in current expenses.

23. Other current liabilities

A major portion of the City's other current liabilities as at 31 December consisted of the additional charge in the amount of UAH 1,445,935 thousand (including the repayment in 2017) for improper fulfillment of the finance lease of ME "Kyivskyi Metropoliten" due to coming into effect and enforcement of the court's ruling under the claim of LLC "Ukrrosleasing" (Note 47).



24. Subventions and dotations

In Ukrainian Hryvnias and in thousands

	2017	2016
Subvention for medical care from the State Budget	4,121,562	3,205,419
Subvention for education from the State Budget	3,184,705	2,254,691
Subvention from the State Budget to provide benefits and housing subsidies to households	3,173,961	1,465,573
Subvention from the State Budget to pay state social security	2,276,454	2,089,134
Subvention from the State Budget to local budgets to pay monetary compensation for entitled housing for families of the perished persons as determined by Subparas. 5–8 Para. 1 Art. 10, as well as persons with Group I–II disabilities as determined by Subparas. 11–14 Part 2 Art. 7 of the Law of Ukraine “On the Status of War Veterans and Guarantees of Their Social Security”, and persons who lost functional capabilities of lower limbs as a result of wounding, blast injury, trauma, or disease incurred in the course of direct participation in the anti-terrorist operation who require to improve housing conditions	89,304	-
Subvention from the State Budget to local budgets to undertake measures on social and economic development of certain territories	88,968	68,389
Subvention from the State Budget to local budgets to reimburse for medicines required for treatment of certain diseases	52,075	-
Subvention from the State Budget to municipal budgets of Dnipro, Zhytomyr, Kamiansk, Kyiv, Kropyvnytskyi, Lviv, Novohrad-Volynskyi, Odesa, Kharkiv, and Cherkasy to perform works related to creation and operation of Administrative Services Centers in the form of “Transparent Office”	17,967	-
Subvention from the State Budget to health care facilities	11,637	9,588
Subvention from the State Budget to local budgets to pay state social aid to orphaned children and children deprived of parental care and cash cover to foster and adopting parents for rendering social services	11,265	8,421
Subvention from the State Budget to local budgets to support persons with special educational needs	6,632	-
Subvention from the State Budget to local budgets to perform construction/capital repairs/redevelopment of small group houses, homes of supported living, construction/purchase of housing for family-like orphanages, social housing for orphaned children and children deprived of parental care, persons belonging to them, preparation of design estimates	6,375	-
Subsidy from the State Budget to local budgets to compensate for losses of local budgets as a result of tax benefits provided by the state on payment of land taxes to space activity entities	5,811	2,813
Subvention from the State Budget to local budgets to upgrade and improve material and technical facilities of state-owned vocational schools	597	329
Subvention from the State Budget to service a debt under the borrowings received in 2012 to the General Fund of Kyiv City’s budget from the State Budget	-	248,064
Subvention from the State Budget to local budgets to construct (acquire) housing for the families of the military who directly participated in the anti-terrorist operation, as well as the disabled of Group I and II from the military	-	66,511
Total subventions and dotations	13,047,313	9,418,932



7. Special Purpose Consolidated Financial Information

In 2017, Kyiv City's budget received from the State Budget the following subventions that were not received in the prior year:

- Subvention from the State Budget to local budgets to reimburse for medicines required for treatment of certain diseases;
- Subvention from the State Budget to municipal budgets of Dnipro, Zhytomyr, Kamiansk, Kyiv, Kropyvnytskyi, Lviv, Novohrad-Volynskyi, Odesa, Kharkiv, and Cherkasy to perform works related to creation and operation of Administrative Services Centers in the form of "Transparent Office";
- Subvention from the State Budget to local budgets to support persons with special educational needs;
- Subvention from the State Budget to local budgets to perform construction/capital repairs/redevelopment of small group houses, homes of supported living, construction/purchase of housing for family-like orphanages, social housing for orphaned children and children deprived of parental care, persons belonging to them, preparation of design estimates.

In 2016, Kyiv City's budget did not receive from the State Budget the following subventions that were received in the prior year:

- Subvention from the State Budget to service a debt under the borrowings received in 2012 to the General Fund of Kyiv City's budget from the State Budget.

In addition, in 2017, Kyiv City's budget received from the State Budget the subvention from the State Budget to local budgets to pay monetary compensation for entitled housing for families of the perished persons as determined by Subparas. 5–8 Para. 1 Art. 10, as well as persons with Group I-II disabilities as determined by Subparas. 11–14 Part 2 Art. 7 of the Law of Ukraine "On the Status of War Veterans and Guarantees of Their Social Security", and persons who lost functional capabilities of lower limbs as a result of wounding, blast injury, trauma, or disease incurred in the course of direct participation in the anti-terrorist operation who require to improve housing conditions. In 2016, this subvention had the following title: subvention from the State Budget to local budgets to construct (acquire) housing for the families of the military who directly participated in the anti-terrorist operation, as well as the disabled of Group I and II from the military.

25. Local taxes and charges to the General Fund

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Single tax	4,068,219	3,030,179
Rental fees for the use of natural resources	2,975,466	2,920,395
Land tax	2,544,853	2,420,191
Property tax, other than on land	369,262	275,378
Transport tax	68,716	178,036
Vehicle parking charges	41,757	23,898
Other local taxes and charges to the General Fund	61,995	16,599
Total local taxes and charges to the General Fund	10,130,268	8,864,676

26. Administrative fees and charges, revenue from non-commercial business activities

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
License and certificate fees	176,019	165,185
Rental proceeds	85,999	108,330
State custom duties	34,109	74,533
State registration fees	28,073	29,158
Other administrative service fees	280,602	155,682
Rentals for the use of water bodies	-	1
Total administrative fees and charges, revenue from non-commercial business activities	604,802	532,889



27. Duties and fees for the special use of natural resources

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Rent fees for the special use of water	28,865	46,834
Rent fees for the use of resources	6,525	4,269
Rent fees for the special use of forest resources	1,387	1,293
Fees for the use of other natural resources	225	78
Total duties and fees for the special use of natural resources	37,002	52,474

28. Other non-tax proceeds and other budget revenue

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Administrative penalties and other sanctions	10,831	7,454
Proceeds on disposal of abandoned properties, findings, inherited property, property received by the community as inheritance or gift, and currency valuables or cash of unknown owners	1,716	3,995
Other proceeds	302,868	34,610
Total non-tax proceeds and other budget revenue	315,415	46,059

29. Revenue from exchange transactions of budget institutions

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Receipts of budget entities from entities, organizations, individuals, and other budget entities for special purpose activities	1,189,689	1,394,176
Charitable contributions, grants, and gifts	724,346	-
Fees for services provided by budget entities in the normal course of their primary activities	614,097	534,818
Rental fees for properties of budget entities	122,757	117,635
Total revenue from exchange transactions of budget institutions	2,650,889	2,046,629



30. Taxes and other charges to the Special Fund

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Proceeds from customs duties transferred to local budgets	1,039,169	597,258
Environmental tax	61,877	43,193
Other taxes and charges	338	51
Total taxes and other charges to the Special Fund	1,101,384	640,502

Proceeds from customs duties transferred to local budgets arise as a result of the experiment conducted to provide funds for the development of motor roads of general use in all regions and the Kyiv City, as well as measures on the development of road infrastructure in the Kyiv City as approved by Paragraph 33 Section VI "Final and Transitional Provisions" of the Budget Code of Ukraine for the period from 1 September 2015 to 1 January 2018.

For the period of the experiment, in order to implement the measures specified, in the event general volumes of monthly customs proceeds are over-fulfilled (customs duties, excise taxes on imported excisable goods (products) to the customs territory of Ukraine, value added taxes on imported goods (products) to the customs territory of Ukraine) as determined in the State Budget's breakdown for the General Fund, 50 percent of such over-fulfilled volumes shall be transferred to special funds of regional budgets and Kyiv City's budget pro rata to the amount of over-fulfillment in the relevant territory from total volume of monthly indicative customs proceeds levied in the course of customs clearance of goods in the territories of relevant regions and the Kyiv City in accordance with the procedure established by the Cabinet of Ministers of Ukraine.

31. Other non-tax proceeds

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Proceeds from interest participation in infrastructure development	793,397	563,128
Proceeds from compensated losses of agricultural and forestry production	757	166
Other proceeds	3,530	4,559
Total other non-tax proceeds	797,684	567,853

32. Subventions (the Special Fund)

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Subvention from the State Budget to local budgets to repay difference between actual value of heat energy, centralized heat supply services, hot water supply, centralized water supply and disposal, cold water supply and disposal (with the use of internal building systems) that were manufactured, transported, and supplied to households and/or other heat supply, centralized drinking water supply and disposal entities engaged in rendering such services to households and tariffs approved and/or agreed by central or local government authorities	651,676	-
Subvention from the State Budget to local budgets to undertake measures on social and economic development of certain territories	62,068	-
Total subventions (the Special Fund)	713,744	-



33. Special purpose funds

In 2017 and 2016, sources of special purpose fund proceeds were as follows:

- fees for temporary use of municipally owned assets of Kyiv City's community for placement of outdoor advertising and fees for placement of advertising on municipal transport;
- proceeds from contributions to the maintenance of Kyiv City's improvement from owners of temporary commercial, household, social and cultural, and other buildings for doing business, including mobile retail outlets;
- replacement cost of green spaces subject to removal in the territory of Kyiv;
- proceeds under the terms and conditions of investment agreements and auctions.

In 2017, total amount of proceeds to special purpose funds amounted to UAH 291,547 thousand (2016: 299,937 thousand).

34. Revenue from exchange transactions of municipal and corporate entities

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Housing and utilities	7,166,633	6,182,851
Construction	4,653,587	3,866,537
Transport, road facilities, communication, telecommunications, and information technologies	2,880,683	2,201,530
Health care	1,908,295	1,544,287
Other services related to economic activities	593,663	633,722
Culture and arts	162,005	139,474
Education	68,833	100,700
Other revenue from exchange transactions	22,077	38,363
Total revenue from exchange transactions of municipal and corporate entities	17,455,776	14,707,464

35. Other income of budget, municipal, and corporate entities

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Assets received free of charge	3,395,982	379,584
Rental income	208,765	116,669
Gains on liquidation	11,330	19,282
Income on recognition of assets as a result of physical inventory	6,240	5,135
Penalties, fines, forfeits	6,233	5,956
Other income	2,164,050	2,568,070
Total other income of budget, municipal, and corporate entities	5,792,600	3,094,696

Expenses. Operating expenses of the City by business segments and nature are disclosed below.

Tax and charge expenses comprise expenses in respect of water tax, state custom duties, rental fees for state property, and tax fines and penalties payable to the State Budget.

The item "Services Used" represents expenses incurred for the third party services received relating to the City's business activities.

Expenses incurred for purchases of construction materials, foods, fuel, drugs, pharmaceuticals, and other commercial materials are disclosed in the item "Consumables and Other Materials".



36. Housing and utilities

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Payroll and salary related charges	2,398,227	541,205
Depreciation	1,417,808	553,426
Maintenance and repairs	646,163	320,344
Consumables and other materials	498,102	133,535
Water, heating, energy, and other utilities	382,193	175,184
Services used	206,587	264,568
Taxes and charges to the State Budget	32,616	19,881
Transportation	4,376	7,773
Social security benefits	3,655	22,046
Rental expense	513	935
Other expense	6,039,683	7,641,902
Total housing and utilities	11,629,923	9,680,799

37. Education

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Payroll and salary related charges	7,641,918	4,619,200
Water, heating, energy, and other utilities	832,122	831,031
Maintenance and repairs	544,321	428,855
Services used	397,832	380,720
Consumables and other materials	290,095	350,288
Social security benefits	79,303	72,677
Transportation	1,102	-
Rental expense	962	-
Other expense	2,153,818	92,439
Total education	11,941,473	6,775,210

38. Health care

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Payroll and salary related charges	5,245,482	2,477,956
Depreciation	343,586	11,343
Consumables and other materials	200,134	726,225
Social security benefits	124,309	22,205
Water, heating, energy, and other utilities	34,879	310,699
Maintenance and repairs	24,868	12,954
Taxes and charges to the State Budget	751	17
Services used	557	44,226
Other expense	5,270,091	4,121,714
Total health care	11,244,657	7,727,339



39. Construction

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Payroll and salary related charges	576,980	50,219
Maintenance and repairs	167,318	103,410
Consumables and other materials	162,218	1,515
Depreciation	145,918	184,560
Services used	42,543	88,306
Taxes and charges to the State Budget	9,138	12,145
Water, heating, energy, and other utilities	6,510	27,564
Transportation	3,265	-
Other expense	4,901,931	6,007,066
Total construction	6,015,821	6,474,785

40. Transport, road facilities, communication, telecommunications and information technologies

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Payroll and salary related charges	1,302,006	1,228,090
Depreciation	568,845	736,011
Consumables and other materials	532,248	552,952
Maintenance and repairs	125,193	392,172
Services used	73,521	74,393
Taxes and charges to the State Budget	34,764	20,915
Water, heating, energy, and other utilities	29,121	137,689
Transportation	14,020	9,368
Rental expense	4,751	9,782
Other expense	7,429,281	347,620
Total transport, road facilities, communication, telecommunications and information technologies	10,113,750	3,508,992

41. Social care and social security

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Benefits, subsidies, and other social payments	5,559,897	3,974,533
Payroll and salary related charges	505,569	348,479
Consumables and other materials	55,916	62,458
Water, heating, energy, and other utilities	49,766	53,744
Maintenance and repairs	48,936	25,884
Services used	38,422	23,788
Other expense	1,172,906	47,762
Total social care and social security	7,431,412	4,536,648

42. Culture and arts

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Payroll and salary related charges	1,148,014	497,625
Depreciation	84,803	4,160
Maintenance and repairs	46,562	24,536
Services used	38,425	68,299
Water, heating, energy, and other utilities	29,934	33,612
Consumables and other materials	15,481	14,814
Other expense	660,466	574,330
Total culture and arts	2,023,685	1,217,376



43. Other services related to economic activities

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Payroll and salary related charges	258,427	99,843
Depreciation	32,736	4,814
Services used	25,029	20,714
Water, heating, energy, and other utilities	16,713	14,134
Rental expense	8,738	7,686
Consumables and other materials	5,606	3,673
Maintenance and repairs	3,727	2,379
Other expense	1,850,083	930,198
Total other services related to economic activities	2,201,059	1,083,441

44. State administration

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Payroll and salary related charges	1,082,723	14,344
Services used	78,398	312
Maintenance and repairs	40,774	-
Water, heating, energy, and other utilities	29,790	1,399
Consumables and other materials	6,961	150
Other expense	354,092	696,303
Total state administration	1,592,738	712,508

45. Transfers to the State Budget and other budgets

In accordance with the Budget Code of Ukraine, the City shall distribute funds to the State Budget of Ukraine if estimated municipal revenues exceed the estimated municipal expenditures. The amount subject to distribution is calculated using financial fiscal capacity ratios and adjusting coefficients.

In 2017, the prevailing majority of those funds referred to the subvention from the local budget to the State Budget aimed at fulfilling programs of social and economic and cultural development of regions and amounted to UAH 255,633 thousand (2016: UAH 116,208 thousand).

46. Finance costs

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Foreign exchange difference on borrowings	687,474	1,600,689
Interest expense	836,030	1,106,021
Total finance costs	1,523,504	2,706,710



47. Contingencies and other commitments

Management of the City considers that respective provisions were recognized in respect of all significant liabilities in this special purpose consolidated financial information.

Operating lease commitments. The future minimum lease payments under operating leases were as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Not later than 1 year	14,446	3,063
From 1 to 5 years	21,993	4,214
Over 5 years	2,020,387	-
Total future minimum lease payments	2,056,826	7,277

The analysis above as at 31 December 2017 includes future lease payments for 20 biggest entities that lease assets (31 December 2016: 11 biggest entities).

Assets pledged and restricted. The carrying value of assets pledged and restricted as at 31 December 2017 amounted to UAH 964,577 thousand (31 December 2015: UAH 834,949 thousand).

As at 31 December 2017, contingent liabilities included contingencies on legal cases in the amount of UAH 622,606 thousand, the result of which was uncertain at the reporting date (31 December 2016: UAH 49,910 thousand).

Contingencies on legal cases. In 2016, LLC "Ukrroleasing" filed a suit against ME "Kyivskyi Metropolitan", which had a finance lease agreement concluded between them, regarding the debt collection on payment for a part of the lease subject matter and interest for the use in the amount of UAH 463,379 thousand (Note 15), as well as additional accruals in the amount of UAH 1,496,088 thousand. As at 31 December 2016, the City did not recognize additional accruals in the special purpose consolidated financial information.

On 28 September 2016, the court ruled to partially satisfy the claim. As a result of court proceedings, on 25 April 2017, the Higher Commercial Court of Ukraine ruled to satisfy the claims of LLC "Ukrroleasing" as follows:

- UAH 478,276 thousand – collection of payment for a part of the lease subject matter and interest for the use; and;
- UAH 1,445,936 thousand – additional accruals.

As at 31 December 2017, the City recognized the respective additional accruals in the special purpose consolidated financial information (Note 23).

48. Financial risk management

Exposure to currency, commodity, interest rate, liquidity, and credit risk arises in the normal course of the City's operations. This Note presents information about the City's exposure to each of the above risks, policies and processes for measuring and managing risks, as well as information about fair value of all financial and non-financial assets and liabilities measured at fair value. Further quantitative disclosures are included throughout this special purpose consolidated financial information.

Fair values. Fair value measurements are analyzed by levels in the fair value hierarchy as follows: (i) Level One are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities; (ii) Level Two measurements are valuation techniques with all material inputs observable for the asset or liability, either directly (that is, based on prices) or indirectly (that is, derived from prices), and (iii) Level Three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Management applies judgment in categorizing financial instruments using the fair value hierarchy.

Fair values of cash and cash equivalents correspond to their carrying amounts due to the short-term nature of this instrument.



7. Special Purpose Consolidated Financial Information

Fair values analyzed by level in the fair value hierarchy and the carrying value of assets and liabilities not measured at fair value are as follows:

As at 31 December 2017:

<i>In Ukrainian Hryvnias and in thousands</i>	Fair value			Carrying value
	Level 1	Level 2	Level 3	
Financial assets				
Investments	-	-	58,196	58,196
Receivables	-	-	3,264,894	3,264,894
Non-financial assets				
Property, plant and equipment	-	-	94,347,179	94,347,179
TOTAL ASSETS	-	-	97,670,269	97,670,269
Financial liabilities				
Payables	-	-	4,496,872	4,496,872
Borrowings				
- Other borrowings	-	-	16,223,256	16,223,256
TOTAL LIABILITIES	-	-	20,720,128	20,720,128

As at 31 December 2017 and 2016, the City was unable to determine reliably and, thus, did not disclose the fair values of Eurobonds issued that were not serviced as at 31 December 2017 and 2016 and which were not traded in an active market.

Other borrowings included a long-term borrowing from the Ministry of Finance of Ukraine, borrowings from the Treasury, and other current liabilities. Those financial liabilities are not quoted in an active market, therefore, the City believes their fair value to approximate their carrying amounts.

As at 31 December 2016:

<i>In Ukrainian Hryvnias and in thousands</i>	Fair value			Carrying value
	Level 1	Level 2	Level 3	
Financial assets				
Investments	-	-	55,618	55,618
Receivables	-	-	3,213,489	3,213,489
Non-financial assets				
Property, plant and equipment	-	-	75,325,013	75,325,013
TOTAL ASSETS	-	-	78,594,120	78,594,120
Financial liabilities				
Payables	-	-	4,601,128	4,601,128
Borrowings				
- Other borrowings	-	-	16,094,667	16,094,667
TOTAL LIABILITIES	-	-	20,695,795	20,695,795



Valuation techniques used in the fair value measurement for Level 2 and Level 3 measurements were as follows:

Financial assets	Valuation technique
Investments	Net assets
Receivables	Discounted cash flows
Non-financial assets	
Property, plant and equipment	Market approach/Depreciated replacement cost method
Financial liabilities	
Payables	Discounted cash flows
Borrowings	
- Other borrowings	Discounted cash flows

Credit risk

Credit risk is the risk of the City's financial loss if a customer or counterparty relating to a financial instrument fails to meet its contractual obligations, and arises principally from investments, accounts receivable, and cash and cash equivalents of the City. The maximum exposure to credit risk is represented by the carrying amount of each financial asset. The maximum exposure to credit risk is presented below:

<i>In Ukrainian Hryvnias and in thousands</i>	31 December 2017	31 December 2016
Investments	58,196	55,618
Receivables	3,264,894	3,213,489
Cash and cash equivalents	5,474,040	5,595,174
Maximum exposure to credit risk	8,797,130	8,864,281

Liquidity risk

Liquidity risk is the risk that the City will encounter difficulty in meeting the obligations as they fall due. The City's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the City's reputation.

The tables below show the City's liabilities as at 31 December 2017 and 2016 by their remaining contractual maturity. The amounts disclosed in the maturity table are the contractual undiscounted cash flows. Such undiscounted cash flows differ from the amounts included in the consolidated statement of financial position because the amounts disclosed in the consolidated statement of financial position are based on discounted cash flows.

When the amount payable is not fixed, the amount disclosed is determined with reference to the conditions existing at the end of the reporting period. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period.

The analysis of financial liabilities as at 31 December 2017 is as follows:

<i>In Ukrainian Hryvnias and in thousands</i>	On demand and less than 6 months	From 6 to 12 months	From 1 to 5 years	Over 5 years	Other*	Total
Liabilities						
Borrowings	849,790	391,237	1,833,824	87,253	16,752,439	19,914,542
Payables	4,444,195	9,922	42,755	-	-	4,496,872
Total liabilities	5,293,985	401,159	1,876,579	87,253	16,752,439	24,411,414

* Category "Others" includes liabilities for the borrowing from the Ministry of Finance of Ukraine the cash flows from which to repay and service the debt cannot be estimated reliably.



7. Special Purpose Consolidated Financial Information

The analysis of financial liabilities as at 31 December 2017 is as follows :

<i>In Ukrainian Hryvnias and in thousands</i>	On demand and less than 6 months	From 6 to 12 months	From 1 to 5 years	Over 5 years	Other*	Total
Liabilities						
Borrowings	369,057	951,562	2,185,012	24,946	15,984,654	19,515,231
Payables	4,529,084	9,445	62,599	-	-	4,601,128
Total liabilities	4,898,141	961,007	2,247,611	24,946	15,984,654	24,116,359

Market risk. The City takes on exposure to market risks. Market risks arise from open positions in (a) foreign currencies, (b) interest bearing assets and liabilities, and (c) equity instrument investments, all of which are exposed to general and specific market movements.

Sensitivities to market risks included below are based on changes in a factor while holding all other factors remains constant. In practice, this is unlikely to occur, and changes in some of the factors may be correlated – for example, changes in interest rate and changes in foreign exchange rates.

Foreign currency risk. Financing received from third parties exposes the City to foreign currency risk.

Foreign currency denominated financial liabilities are represented by Eurobonds issued and the credit line obtained from European Bank for Reconstruction and Development and Nordic Environment Financial Corporation (Note 15).

The following table presents sensitivities of surplus or deficit to reasonably possible changes in exchange rates applied at the end of the reporting period relative to the functional currency of the City, with all other variables held constant:

<i>In Ukrainian Hryvnias and in thousands</i>	Impact on surplus or deficit	
	As at 31 December 2017	As at 31 December 2016
USD strengthening by 30%	(3,869,279)	(3,730,564)
USD weakening by 10%	1,289,760	1,243,521
EUR strengthening by 30%	(537,277)	(567,144)
EUR weakening by 10%	179,092	189,048

Interest rate risk. The City takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The table below summarizes the City's exposure to interest rate risks. The table presents the aggregated amounts of the City's financial assets and liabilities at carrying amounts, categorized by the earlier of contractual interest repricing or maturity dates.

<i>In Ukrainian Hryvnias and in thousands</i>	On demand and less than 6 months	From 6 to 12 months	From 1 to 5 years	Over 5 years	Other*	Non-monetary items	Total
31 December 2017							
Total financial assets	8,621,915	-	117,019	-	-	58,196	8,797,130
Total financial liabilities	(4,784,638)	(320,234)	(1,513,073)	(188,716)	(16,752,439)	-	(23,559,100)
Net interest sensitivity gap at 31 December 2017	3,837,277	(320,234)	(1,396,054)	(188,716)	(16,752,439)	58,196	(14,761,970)
31 December 2016							
Total financial assets	8,719,113	-	89,550	-	-	55,618	8,864,281
Total financial liabilities	(4,883,251)	(743,453)	(1,809,820)	(24,946)	(15,984,653)	-	(23,446,123)
Net interest sensitivity gap at 31 December 2016	3,835,862	(743,453)	(1,720,270)	(24,946)	(15,984,653)	55,618	(14,581,842)

* Category "Others" includes liabilities for the borrowing from the Ministry of Finance of Ukraine, Eurobonds, and other liabilities the cash flows from which to repay and service the debt cannot be estimated reliably.



49. Presentation of financial instruments by measurement categories

The following table provides reconciliation of financial instruments by their measurement categories as at 31 December 2017:

<i>In Ukrainian Hryvnias and in thousands</i>	Loans and receivables	Assets available for sale	Total
Financial assets			
- Investments	-	58,196	58,196
- Receivables from exchange transactions	3,264,894	-	3,264,894
- Cash and cash equivalents	5,474,040	-	5,474,040
Total financial assets	8,738,934	58,196	8,797,130
Фінансові зобов'язання			
- Borrowings	19,062,228	-	19,062,228
- Payables	4,496,872	-	4,496,872
Total financial liabilities	23,559,100	-	23,559,100

The following table provides reconciliation of financial instruments by their measurement categories as at 31 December 2016:

<i>In Ukrainian Hryvnias and in thousands</i>	Loans and receivables	Assets available for sale	Total
Financial assets			
- Investments	-	55,618	55,618
- Receivables from exchange transactions	3,213,489	-	3,213,489
- Cash and cash equivalents	5,595,174	-	5,595,174
Total financial assets	8,808,663	55,618	8,864,281
Financial liabilities			
- Borrowings	18,844,995	-	18,844,995
- Payables	4,601,128	-	4,601,128
Total financial liabilities	23,446,123	-	23,446,123

50. Segment information

Operating segments are components of an organization that take part in commercial activities, from which an organization can receive income or incur losses, that has separate financial information available, and whose operational results are reviewed by the City's chief operating decision maker on a regular basis. The City's chief operating decision maker is an individual or a group of individuals who conduct performance assessment of an entity and allocate resources.

For management purposes, the City is organized into segments based on the services they provide:

- 1) State administration;
- 2) Construction;
- 3) Housing and utilities;
- 4) Health care;
- 5) Education;
- 6) Transport, road facilities, communication, telecommunications and information technologies;
- 7) Other, comprising less significant services and other units of the City.

No individually significant segments were aggregated to arrive at the operating segments disclosed above. The City does not monitor geographical segments.



7. Special Purpose Consolidated Financial Information

The City reviews results of its departments on an individual basis in order to assess performance and allocate resources. Performance of segments is assessed based on non-financial qualitative indicators and operating surplus or deficit of the segment, determined according to the accounting policies applied in this consolidated financial information. Financing (including finance income and finance costs) and fiscal revenues of the City are managed on a group basis and not allocated to individual operating segments.

The management of segments is performed by management of the Kyiv City State Administration.

Segments accounts were prepared in accordance with the Budget Code of Ukraine, Ukrainian Accounting Standards, and appropriate Resolutions of the State Treasury of Ukraine regarding accounting regulations for budget institutions.

Segment information for 2017 is provided below:

<i>In Ukrainian Hryvnias and in thousands</i>	Kyiv City's budget	State adminis- tration	Construc- tion	Housing and utilities	Health care	Education	Transport, road facilities, commu- nication, telecommu- nications and information techno- logies	Other segments	Total by segments
Segment revenues									
Budget allocations	-	1,373,637	950,767	2,176,230	8,350,697	9,292,492	2,173,917	9,056,989	33 374 729
External revenues	48,765,106	18,986	5,132,868	9,756,507	2,113,653	84,915	4,253,377	576,818	70 702 230
Intersegment revenues	-	1	104,696	249,127	8,640	31,126	503,620	4,512	901 722
Segment expenses									
General segment expenses	(11,122,057)	(1,370,008)	(5,992,856)	(11,607,026)	(10,060,342)	(9,361,416)	(6,814,463)	(9,607,853)	(65,936,021)
Intersegment expenses	(38,383,702)	(22,440)	(28,276)	(320,482)	(411,276)	(43,525)	(51,757)	(23,966)	(39,285,424)
Surplus/(deficit) from operations	(740,653)	176	167,199	254,356	1,372	3,592	64,694	6,500	(242,764)
Finance costs	(15,060)	-	(3)	(2,074)	-	-	(1,300,546)	-	(1,317,683)
Share in deficit of associates	-	(356)	-	-	-	-	-	-	(356)
Surplus/(deficit) for the reporting period	(755,713)	(180)	167,196	252,282	1,372	3,592	(1,235,852)	6,500	(1,560,803)
Other information									
Segment assets	-	907,904	29,996,069	46,214,710	12,266,323	8,730,716	31,705,174	8,929,919	138,750,815
Segment liabilities	-	293,405	22,657,956	13,377,318	1,042,904	339,586	8,135,715	1,957,999	47,804,883



Segment information for 2016 is provided below:

<i>In Ukrainian Hryvnias and in thousands</i>	Kyiv City's budget	State adminis- tration	Construc- tion	Housing and utilities	Health care	Education	Transport, road facilities, commu- nication, telecommu- nications and information techno- logies	Other segments	Total by segments
Segment revenues									
Budget allocations	-	2,277,617	14,990	885,654	5,995,108	7,474,431	1,581,637	7,650,787	25,880,224
External revenues	38,687,164	59,270	4,179,530	8,510,669	1,685,700	112,269	2,997,470	1,092,153	57,324,225
Intersegment revenues	-	-	85,562	399,480	4,016	2,886	29,502	364,169	885,615
Segment expenses									
General segment expenses	(6,111,185)	(2,376,380)	(4,118,434)	(9,330,429)	(6,982,603)	(7,536,933)	(3,865,116)	(9,439,748)	(49,760,828)
Intersegment expenses	(27,180,229)	(596)	(45,308)	(368,754)	(342,832)	(29,522)	(47,291)	(51,311)	(28,065,843)
Surplus/(deficit) from operations									
	5,395,750	(40,089)	116,340	96,620	359,389	23,131	696,202	(383,950)	6,263,393
Finance costs	(281,439)	-	(3)	(1,352)	-	-	(125,999)	(1,394)	(410,187)
Surplus/(deficit) for the reporting period									
	5,114,311	(40,089)	116,337	95,268	359,389	23,131	570,203	(385,344)	5,853,206
Other information									
Segment assets	-	1,945,816	22,933,993	44,900,172	10,164,317	4,944,983	27,938,366	6,006,843	118,834,490
Segment liabilities	-	50,162	16,985,747	9,900,734	477,114	94,755	7,990,249	1,368,360	36,867,121



7. Special Purpose Consolidated Financial Information

Reconciliation of segment results to the City's consolidated results is given below:

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Segment revenues	104,978,681	84,090,064
Netting of budget allocations	(33,374,729)	(23,279,594)
Netting of intersegment revenues	(901,722)	(885,616)
Reversal of gain on depreciation of property, plant and equipment constructed for budget funds	(776,194)	(779,077)
Recognition of assets received free of charge	2,044,122	-
Adjustments to recognize income in the correct accounting period	89,805	873,416
Elimination of gain on recognition of land and other non-current assets by budget entities	-	(4,528,775)
Other adjustments	2,062,317	(344,981)
Consolidated revenue	74,122,280	55,145,437

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Segment operating expenses	(105,221,445)	(77,826,671)
Netting of intersegment expenses	39,285,424	27,181,241
Elimination of loss on recognition of land and other non-current assets by budget entities	-	4,528,775
Other adjustments	(1,987,711)	1,828,571
Consolidated operating expenses	(67,923,732)	(44,288,084)

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Segment finance costs	(1,317,683)	(410,187)
Recognition of foreign exchange differences on Eurobonds	(396,314)	(1,442,651)
Interest accrual	(3,836)	(696,943)
Reclassification of non-operating foreign currency exchange differences under foreign currency borrowings from operating to finance costs	-	184,221
Other adjustments	194,329	(341,150)
Consolidated finance costs	(1,523,504)	(2,706,710)

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Segment assets	138,750,815	118,834,490
De-recognition of privatized property, plant and equipment	(26,215,630)	(23,538,191)
Netting of intragroup balances	(1,372,717)	(929,408)
Allowance for estimated irrecoverable amounts	(1,271,195)	(585,898)
Recognition of service concession assets	8,729,771	3,820,452
Correction of financial statement errors	2,765,589	-
Recognition and revaluation of property, plant and equipment that are not carried on the City's accounting records	1,833,353	1,833,353
Other adjustments	615,323	1,429,861
Consolidated assets	123,835,309	100,864,659

<i>In Ukrainian Hryvnias and in thousands</i>	2017	2016
Segment liabilities	47,804,883	36,867,121
Netting of other liabilities under concession agreements, including improvement	(6,935,473)	(1,968,430)
Netting of liabilities under construction by means of the City's budget funds	(6,611,772)	(6,991,189)
Netting of municipal entities' liabilities under concession agreements	(2,927,123)	(2,940,247)
Netting of intragroup balances	(1,372,717)	(929,408)
Recognition of Local Loan Bonds and Eurobonds	12,692,419	12,296,105
Recognition of medium-term borrowings	3,688,454	3,688,454
Other adjustments	(1,988,825)	(650,520)
Consolidated liabilities	44,349,846	39,371,886



51. Events after the reporting date

Conditions of functioning. The inflation rate for January–April 2018 amounted to 4.4% (for the respective period of 2017: 4.9%). The discount rate was increased by the NBU from 14.5% to 16.0% effective from 26 January 2018 and to 17.0% effective from 2 March 2018.

Subsequent to the reporting date, UAH strengthened against major foreign currencies. In particular, as at 31 May 2017, the official exchange rate of UAH against USD as established by the NBU decreased to UAH 26.14 per USD 1 in comparison to UAH 28.07 per USD 1 as at 31 December 2017 (strengthening by 6.9%).

Transfer of the energy and heat supply facilities held and used by PJSC "KYIVENERGO" to municipal ownership. Pursuant to Resolution of Kyiv City Council # 517/4581 dated 24 April 2018, effective from 1 May 2018, Municipal Entity "Kyivteploenergo" took into possession in order to operate about 65 thousand units of properties (boiler houses, heat supply networks, heating units, meters, and other auxiliary properties) of PJSC "KYIVENERGO". The concession agreement with PJSC "KYIVENERGO" in part of using properties of CHPP # 5, CHPP # 6, electricity properties required for transmitting and supplying energy, as well as properties of waste burning plant "Energy" was extended to 31 July 2018 inclusive.



List of Abbreviations Used in the Annual Report

ASC – Administrative Services Centre	mln – million
ATO – anti-terrorist operation	n.a., N/a – not applicable/not available
bln - billion	NASU – National Academy of Sciences of Ukraine
BSOP – bodies of self-organization of the population	NAS – National accounting standard
CB – commercial bank	NBU – National Bank of Ukraine
CC – confectionary company	NEFCO – Nordic Environment Finance Corporation
CPT – corporate profit tax	NFA – no fixed abode
DSA – District State Administration	NJSC – national joint-stock holding company
DIF – documentation insurance fund	p.p. – percentage point
DKCSA – district in Kyiv city state administration	PIT – personal income taxes
DWS – Dniprovska water drainage station	PJSC, PAT – public joint-stock company
EBRD – European Bank for Reconstruction and Development	PE – private entity
EFI – enterprise with foreign investments	PEI – pre-school educational institutions
EIU – Economist Intelligence Unit	PPE – property, plant, and equipment
EUR – euro	PrJSC, PrAT – private joint-stock company
FDI – foreign direct investment	R&D – research and development
FIFO – first-in, first-out	SE, DP – state-owned enterprise
Gcal – gigacalories	SFS – State fiscal Service of Ukraine
GDP – gross domestic product	S&P – Standard & Poor's
GO – non-governmental organizations	Sq. M – square meter
GRP – gross regional product	th - thousand
ha – hectare	TIC – tourist information center
HEI – higher educational institutions	TIU – territorial intermediate union
HIV – human immunodeficiency virus	tonne – 1000 kg (metric system)
HPP – heat and power plant	UAH – Ukrainian hryvnia
HUMU – housing and utility management units	UIA – Ukrainian International Airlines
IMF – International Monetary Fund	UNDP – United Nations Development Program
IPSAS – International Public Sector Accounting Standards	USAID – United States Agency for International Development
IS – information system	USD – United States dollar
ISO – International Organization for Standardization	VAT – value-added tax
ITS – information and telecommunication system	VTEI – vocational training educational institutions
JSC – joint-stock company	
JV – joint venture	
KCSA – Kyiv City State Administration	
KIA – Kyiv Investment Agency	
KCC – Kyiv City Council	
km – kilometers	
KMPE – Kyiv municipal production enterprise	
KNTEU – Kyiv National Trade and Economic University	
KRCP – Kyiv regional collection point	
kW*h – kilowatt hour	
LF – law firm	
LLC – limited liability company	
m – meter	
MC – municipal corporation	
MCUE – municipal commercial unitary enterprise	
ME, KP – municipal enterprise	
MEIA – municipal enterprise international airport	



For Notes



For Notes



For Notes



For Notes



For Notes



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