

Ukraine's State Budget 2026

Public Finance for Children (PF4C) Budget Overview

According to the Law of Ukraine "On the State Budget for 2026" from 03.12.2025

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Structure of State Budget Allocations



SOCIAL PROTECTION AND SOCIAL SUPPORT

TOTAL BUDGET 2026 (including transfers)
UAH 493.8 billion ▲+12.2 %
\$ 11.0 billion

BUDGETED FOR 2025
\$ 10.6 billion (10% of total expenditures)



EDUCATION

TOTAL BUDGET 2026 (including transfers)
UAH 278.7 billion ▲+36.0 %
\$ 6.2 billion

BUDGETED FOR 2025
\$ 4.9 billion (4% of total expenditures)



HEALTH

TOTAL BUDGET 2026 (including transfers)
UAH 258.6 billion ▲+17.7 %
\$ 5.8 billion

BUDGETED FOR 2025
\$ 5.3 billion (5% of total expenditures)



PUBLIC DEBT SERVICING

TOTAL BUDGET 2026
UAH 513.1 billion ▲+19.4 %
\$ 11.5 billion

BUDGETED FOR 2025
\$ 10.3 billion (9% of total expenditures)



ECONOMIC ACTIVITY

TOTAL BUDGET 2026
UAH 177.5 billion ▲+16.0 %
\$ 4.0 billion

BUDGETED FOR 2025
\$ 3.7 billion (3% of total expenditures)



DEFENSE AND SECURITY

TOTAL BUDGET 2026
UAH 2,807.1 billion ▼-5.2 %
\$ 62.8 billion

BUDGETED FOR 2025
\$ 71.2 billion (64% of total expenditures)

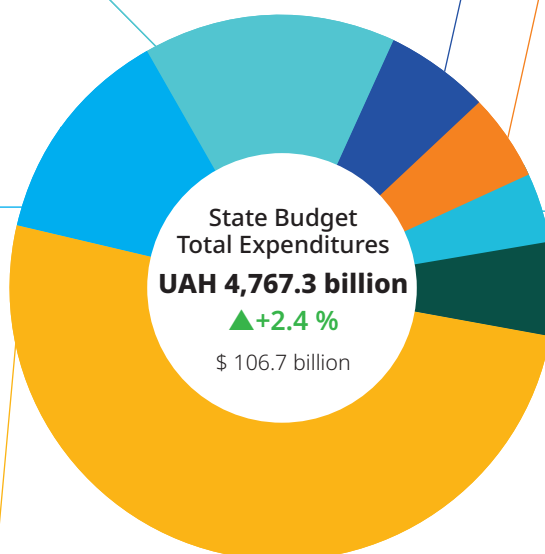


OTHER EXPENDITURES

TOTAL BUDGET 2026 (including transfers)
UAH 238.5 billion ▼-7.2 %
\$ 5.3 billion

Including:
Youth & Sports
UAH 6.8 billion ▲+14.6 %
WASH related
UAH 4.5 billion ▼-64.0 %

BUDGETED FOR 2025
\$ 5.9 billion (5% of total expenditures)



Sources:
Law of Ukraine "On the State Budget for 2025" with changes on 21.10.2025.
Law of Ukraine "On the State Budget for 2026" from 03.12.2025.
Ministry of Finance (2025) Open Budget: State budget web portal for citizens. Available at: <https://openbudget.gov.ua/>.
National Bank & Ministry of Economy (2025) Exchange rates for 2025 - 41.6 UAH/USD, 2026 - 44.7 UAH/USD

KEY HIGHLIGHTS



KEY SOCIAL PROTECTION & SOCIAL SUPPORT EXPENDITURES

TOTAL ALLOCATION
(State Budget and transfers)
UAH 493.8 billion
+UAH 53.9 billion
(▲+12.2%) to 2025

From State budget
UAH 483.3 billion
(in 2025 UAH 432.7 billion)

Transfers to local budgets
UAH 10.5 billion
(in 2025 UAH 7.3 billion)

! *“Social Protection of Children and Families” grows almost 2 times in 2026 (1.9x vs 2025; 2.2x vs 2024), reaching 21.8% of all non-pension social protection spending*



KEY EDUCATION EXPENDITURES

TOTAL ALLOCATION
(State Budget and transfers)
UAH 278.7 billion
▲+UAH 78.3 billion
(+36.0%) to 2025

From State budget
UAH 147.4 billion
(in 2025 UAH 71.2 billion)

Transfers to local budgets
UAH 131.5 billion
(in 2025 UAH 133.6 billion)

Social protection of children and families: UAH 52.8 billion (▲+UAH 25.3 billion or +92.2% to 2025). Increase explained by new child and family support measures to stimulate birth rates (in accordance with Law #4681-IX of November 5, 2025). Planned allocations for 2026 are UAH 24.5 billion for:

- increase the amount of prenatal support for pregnant women;
- increase the amount of a one-time payment to women after the birth of a child to UAH 50,000;
- change the approaches to paying child care benefits from the day after the end of maternity leave until the month the child reaches the age of 1;
- introduce a new benefit for child care from the age of 1 to 3 – “e-Nursery”.

Social protection of persons and children with disabilities: UAH 8.8 billion (▲+UAH 1.8 billion or +25.1% to 2025), of which:

- UAH 8.0 billion will be directed to providing prosthetic and orthopedic products to 111,000 people, including 5,400 military personnel and 14,000 children with disabilities;
- rehabilitation services to over 24,000 children with disabilities.

Deinstitutionalization: in 2026 is supported through investments in housing and infrastructure for family-based care and small group homes, including public investment projects for family-type children’s homes (subventions from the state budget to local budgets): **UAH 0.8 billion** (the same as planned for 2025).

Social protection of citizens who find themselves in difficult life circumstances:

UAH 102.7 billion (▲+UAH 2.2 billion or +2.2% to 2025). These funds are planned to provide support to almost 4 million citizens who have found themselves in difficult life circumstances, continue social support for internally displaced persons and residents of frontline regions, and continue the implementation of a pilot project to provide basic social assistance (with a base amount for calculating assistance of UAH 4,500 and ensure its payment to over 85,000 recipients).

Housing subsidies and benefits to citizens: UAH 42.3 billion (as planned for 2025) for 2.7 million households (HH) – which is an average of UAH 1,305 per HH per month (plan for 2025 – 2.8 million HH, 2024 – 3.2 million HH).

Pensions: UAH 251.3 billion (▲+UAH 14.4 billion or +6.1% to 2025).

Implementation of public investment projects of the Ministry of Social Policy:

UAH 1.0 billion (▼ – UAH 0.1 billion or –7.5 % to 2025) – amount to 0.2% of planned state budget allocations on Social protection

Teachers’ salaries:

- **Educational subvention: UAH 103.2 billion** (as planned for 2025 and 2024).
- **New program to increase the prestige of work in the field of education: UAH 64.6 billion**, of which UAH 6.6 billion will be directed to a phased increase by 50% over the year the remuneration of pedagogical and scientific-pedagogical employees of higher and pre-higher education institutions.

State subvention for primary school nutrition: UAH 14.4 billion (▲+UAH 9.7 billion or a 3.1-fold increase compared with 2025).

The “New Ukrainian School” program: UAH 3.0 billion (▲+UAH 0.85 billion or +39.5% to 2025) – Subvention for implementing a public investment project for the “New Ukrainian School” – UAH 3.0 billion (▲+UAH 1 billion or a 1.5-fold increase compared with 2025).

Subvention for support to children with special educational needs: UAH 0.45 billion (▲+UAH 0.15 billion or +47.7% to 2025).

Subvention for implementation of a public investment projects:

- in institutions providing general secondary education (shelters, safe conditions and fire protection): **UAH 6.5 billion** (▼–UAH 0.2 billion or –3.0% to 2025).
- for equipment and reconstruction of school kitchens/canteens of educational institutions (incl. military lyceums): **UAH 1.0 billion** (▲+UAH 0.1 billion or +4.2% to 2025).
- to ensure unobstructed access to quality education – school buses **UAH 2.0 billion** (▲+UAH 0.4 billion or +25.0% to 2025).

Higher education: UAH 66.5 billion (▲+UAH 9.5 billion or +16.6% to 2025).

Vocational and technical education: UAH 0.5 billion (▲+UAH 0.02 billion or +4.8% to 2025).

Implementation of public investment projects of the Ministry of Education – total:

UAH 14.5 billion (▲+UAH 1.2 billion or +9.0% to 2025) – amount to 5.2% of planned state budget allocations on Education.



KEY HEALTH EXPENDITURES

TOTAL ALLOCATION
(State Budget and transfers)
UAH 258.6 billion
▲+UAH 38.8 billion
(+17.7%) to 2025

From State budget
UAH 253.4 billion
(in 2025 UAH 216.8 billion)

Transfers to local budgets
UAH 5.2 billion
(in 2025 UAH 3.0 billion)

Medical guarantee program: UAH 191.6 billion (▲+UAH 16.1 billion or +9.2% to 2025):

- **primary medical care:** UAH 29.1 billion (▲+UAH 3.9 billion or +15.5% to 2025) / basic capitation rate: UAH 1,007.3 (▲+UAH 162.9 or +19.3% to 2025);
- **emergency medical care:** UAH 11.9 billion (▲+UAH 1.2 billion or +11.4% to 2025);
- **specialized medical care in outpatient and inpatient settings:** UAH 141.9 billion (▲+UAH 8.6 billion or +6.4% to 2025). Includes: treatment, rehabilitation, psychological support and psychological assistance, severe injuries, burns, cardiac surgery, oncology, use of assisted reproductive technologies;
- **reimbursement of the cost of medicines and medical products:** UAH 8.7 billion (▲+UAH 2.4 billion or +37.9% to 2025), in particular includes medications for the treatment of cardiovascular diseases, diabetes and other chronic diseases.

Centralized procurement of medicines and medical products: UAH 15.2 billion (▲+UAH 0.5 billion or +3.7% to 2025).

New health screening program ("check-ups") for citizens at increased risk of developing diseases: UAH 10.0 billion.

Functioning of the public health system: UAH 4.7 billion (▲+UAH 0.3 billion or +7.1% to 2025).

Implementation of public investment projects of the Ministry of Health of Ukraine: UAH 10.5 billion (▲+UAH 5.4 billion or +107% to 2025) – amount to 4% of planned state budget allocations on Health.



OTHER EXPENDITURES

TOTAL ALLOCATION
(State Budget and transfers)
UAH 238.3 billion
▼-UAH 7.2 billion (-2.9%) to 2025

From State budget
UAH 161.0 billion
(in 2025 UAH 166.2 billion)

Transfers to local budgets
UAH 77.5 billion
(in 2025 UAH 79.5 billion)

Key Youth & Sports Expenditures

Total allocation (State Budget) **UAH 6.8 billion**
▲+UAH 0.9 billion (+14.6%) to 2025

Preparation and participation of national teams in more than 2,500 sports events and their awards
UAH 4.2 billion (▲+UAH 0.5 billion or +14.2% to 2025).

Preparation and participation of Ukrainian athletes in the Olympics, World Games, Paralympic Games, among others: UAH 0.7 billion (▼-UAH 0.6 billion or -43.2% to 2025).

Implementation of state youth policy measures and popularization of Ukrainian socio-state values among young people UAH 177.4 million (▲+UAH 97.8 million or 2.2 times more than in 2025), of which UAH 67.2 million will be allocated to providing grants for young people.

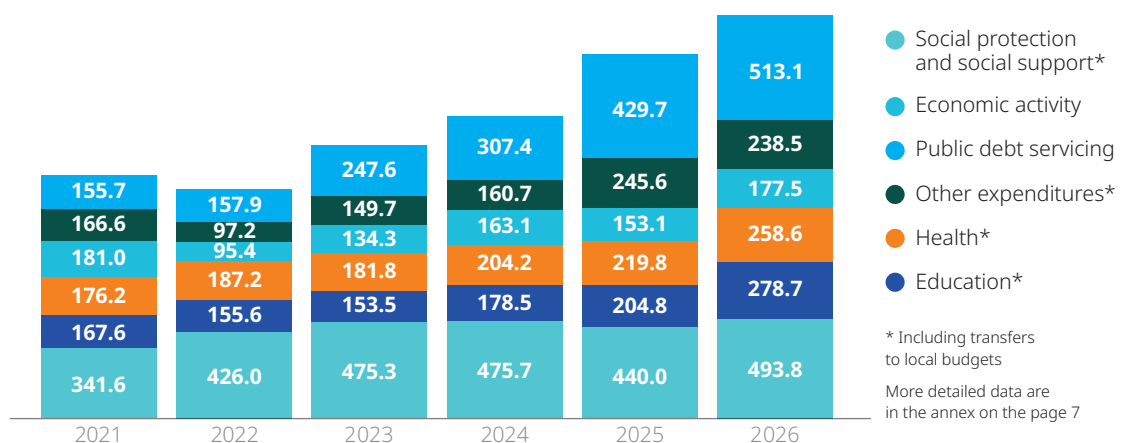
Key WASH Related Expenditures

Total allocation (State Budget) **UAH 4.5 billion**
▼-UAH 8.1 billion (-64.0%) to 2025

Explanation of the state water management system and management of water resources:
UAH 4.4 billion (▼-UAH 0.1 billion or -1.4% to 2025).

Development of the water supply and drainage system in the city of Mykolaiv: UAH 71.1 million (▼-UAH 74.7 million or -51.2% to 2025).

State Budget Expenditures 2021-2026 Without Military Expenditures
(billion UAH)





DEFENSE AND SECURITY

TOTAL ALLOCATION

(State Budget)
UAH 2,807.1 billion
 ▼-UAH 154.7 billion
 (-5.2%) to 2025



PUBLIC DEBT SERVICING

TOTAL ALLOCATION

(State Budget)
UAH 513.1 billion
 ▲+UAH 83.4 billion
 (+19.4%) to 2025

First priority of Budget policy 2026, however, their volume is less than in 2025 and 2024. This may lead to **the revision of the budget over the year and reduction of other expenditures** (including social sectors) for defense and security needs.

Nominal expenditures on defense and security corresponds to **96,6% of planned nominal state budget revenues for 2026 (UAH 2,904.6 billion)**, therefore Social sectors spending remains heavily dependent on international aid and borrowing.

Debt servicing is the second-largest expenditure in 2026 (11% of State budget).

It makes **50% of total allocations for social protection, health, and education combined for 2026**, limiting long-term funding for child- and youth- related programs.

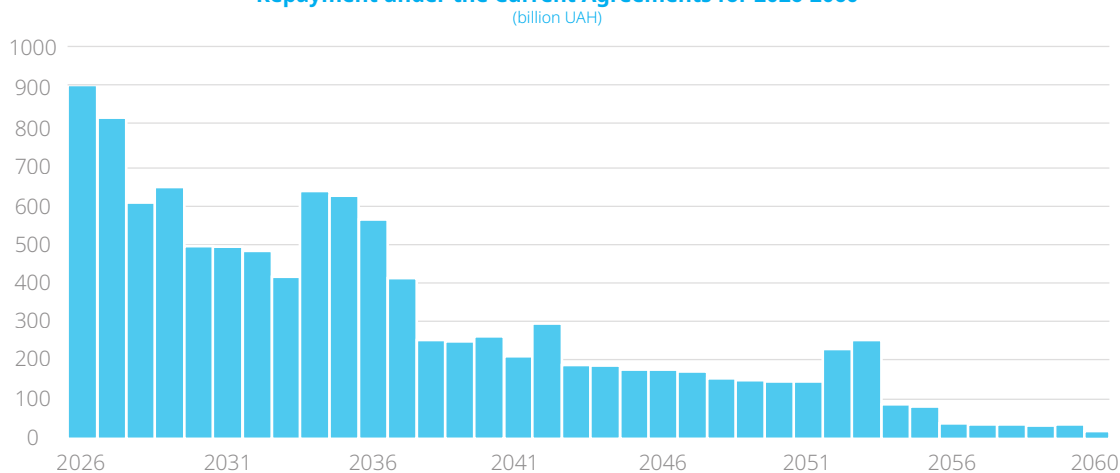
Public debt (excluding guaranteed debt):

- Estimated public debt per capita exceeded **USD 6,460** (≈UAH 269,000) at end-2025 and USD 7,250 (≈UAH 324,000) at end-2026, underscoring the need to maintain and prioritize spending for children and young people despite growing fiscal pressures.
- **In 2026, the debt ceiling (excluding guaranteed debt)** is expected to be UAH 10,477.8 billion or 101.6% of GDP.



- To repay its current public debt **Ukraine needs to make payments until 2061**, and in the coming years these payments will be the largest (in 2026 - 8.8% GDP, in 2027 - 6.9% GDP).

Payments for the Repayment and Servicing of Public Debt until Full Repayment under the Current Agreements for 2026-2060



Source: calculated on the data from <https://openbudget.gov.ua/>, the Ministry of Finance, the Ministry of Economy, the National Bank of Ukraine and the State Statistics Service

Note: forecast data starts from 2025

BUDGETS REVENUES

State budget revenue

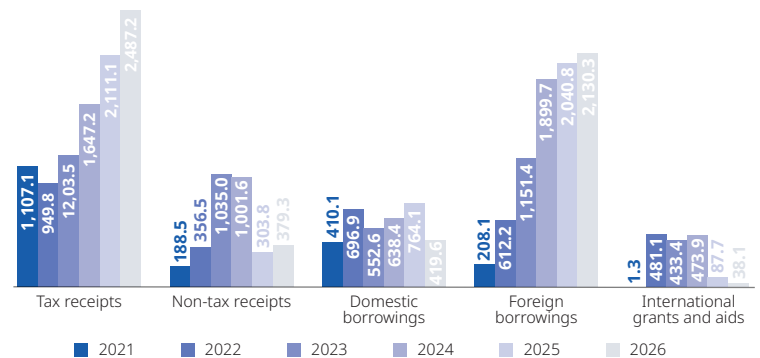
The total resources of the state budget are planned in the amount of UAH 5,454.7 billion or USD 122.0 billion (▲+UAH 146.9 billion or +2.8% to 2025).

- **Own revenues** (excluding borrowings, international grants and aids): UAH 2,866.5 billion (USD 64.1 billion) or 53% of the total resources (▲+UAH 451.5 billion or +18.7% to 2025)
- **Domestic borrowings:** UAH 419.6 billion (USD 9.4 billion) or 8% of the total resources (▼-UAH 344.5 billion or -45.1% to 2025).
- **Foreign borrowings:** UAH 2,130.3 billion (USD 47.7 billion) or 39% of the total resources (▲+UAH 89.5 billion or +4.4% to 2025).
- **International grants and aids:** UAH 38.1 billion (USD 0.9 billion) or 0.7% of the total resources (▼-UAH 49.5 billion or -56.5% to 2025).

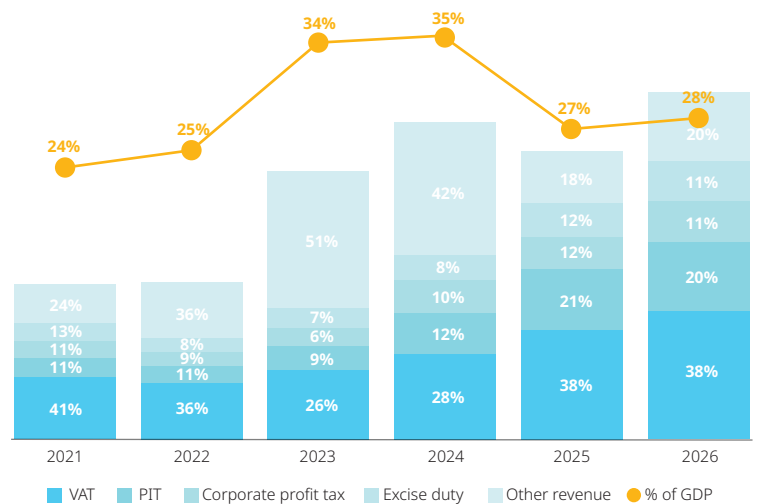
Planned measures to increase revenue:

- Transferring PIT of military personnel to the state budget: +UAH 125.3 billion.
- Increasing taxation of income obtained through digital platforms: +UAH 14.0 billion.
- Introducing an excise tax on sugary drinks, including mineral and carbonated: +UAH 8.5 billion.
- Improving tax administration: +UAH 26.0 billion.
- Reducing the customs evasion: +UAH 60.0 billion.

Main Sources of Financing the State Budget in 2021-2026
(billion UAH and % of total revenues)



Structure of the State Budget Own Revenues (excluding Borrowings, International Grants and Aids) in 2021-2026
(billion UAH, % of total revenues and % of GDP)



Local budget revenue

Key changes for the year 2026:

TOTAL RESOURCES OF LOCAL BUDGETS

UAH 872.6 billion
Δ+UAH 128.4 billion
(+17.3%) to 2025

LOCAL BUDGET REVENUES WITHOUT TRANSFERS (FORECAST):

UAH 647.9 billion
Δ+UAH 127.1 billion
(+24.4%) to 2025

TRANSFERS TO LOCAL BUDGETS:

UAH 224.7 billion
Δ+UAH 1.4 billion
(+0.6%) to 2025

Transfers amount to 25.7% of local budgets planned revenues for 2026

64% of Personal income tax (PIT) of taxpayers other than military personnel will be allocated to the hromada budgets, as it was in 2022-2025. In 2026 hromadas will receive over UAH 15.2 billion from the additional 4% of PIT.

PIT for military personnel will be enrolled to the state budget revenues. The estimated revenue shortfall for local budgets in 2026 is around UAH 125.3 billion.

The reverse dotation in the amount of UAH 18.8 billion will be transferred to the state budget from 207 local budgets (4 oblast budgets and 203 hromada budgets) (in 2025 – UAH 15.2 billion from 187 local budgets).

The equalization grant (basic dotation) in the amount of UAH 30.8 billion will be transferred from the state budget to 1000 local budgets (18 oblast budgets and 982 hromada budgets) (in 2025 – UAH 25.5 billion to 1027 local budgets).

The rising volumes of both equalization and reverse dotations indicate widening disparities in local revenue capacities, increasing the risk that hromadas will struggle to finance child-related services and that children's opportunities will very significantly depending on where they live.

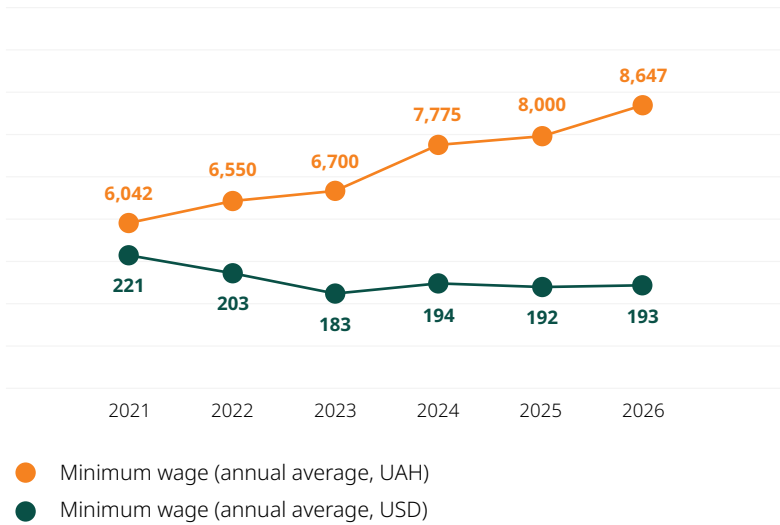
An additional subsidy to hromadas that have been negatively affected due to armed aggression is planned in the amount of UAH 30.4 billion, which is UAH 6.1 billion (or 16.8%) less than in 2025. However, **a new additional subsidy** of UAH 5.2 billion is planned for frontline hromadas in 2026.

Transfers to local budgets for the implementation of public investment projects: UAH 19.5 billion (in 2025 – UAH 18.7 billion), which is **2.2%** of local budgets planned revenues or **8.7%** of total transfers to local budget. PIP includes: education – UAH 13.5 billion, healthcare – UAH 4.1 billion, social protection – UAH 1.9 billion.

The State Regional Development Fund is planned in the amount of UAH 2.0 billion (in 2025 – UAH 1.0 billion). These funds will be used for implementation public investment projects.

MINIMUM SOCIAL STANDARDS

Dynamics of the Minimum Wage in 2021-2026
(annual average, UAH and USD)



The minimum wage as of January 1, 2026 is UAH 8,647 or USD 193 per month (▲+UAH 647 or +8.1% to 2025).

The subsistence minimum per person per month as of January 1, 2026 is UAH 3,209 or USD 72 (▲+UAH 289 or +9.9% to 2025).

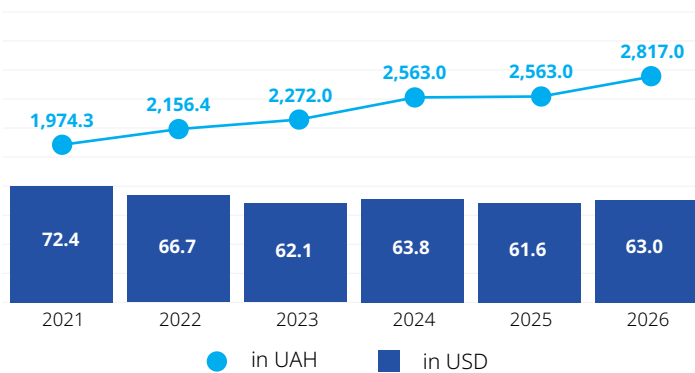
The subsistence minimum for children:

- under the age of 6 per month – UAH 2,817 or USD 63 (▲+UAH 254 or +9.9% to 2025),
- from ages 6 to 18 – UAH 3,512 or USD 79 (▲+UAH 316 or +9.9% to 2025).

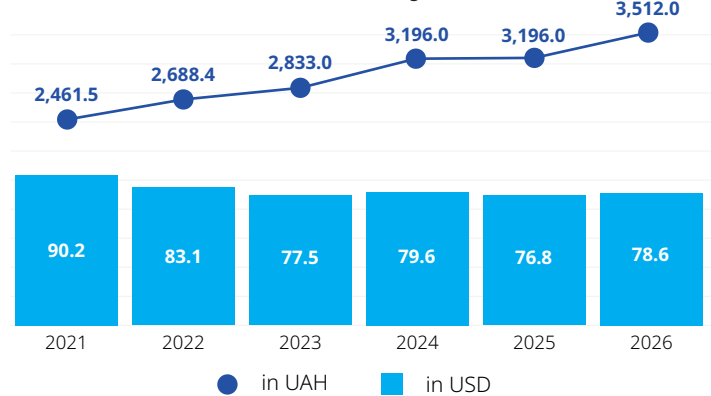
The level of the living wage for assistance to low-income families is planned as in 2025 (for adults 60% of the subsistence minimum for able-bodied persons, for children 145% of the subsistence minimum for a child of the appropriate age).

Dynamics of the Subsistence Minimum for Children in 2021-2026
(annual average, UAH and USD)

Children under the age of 6, per capita subsistence minimum (annual average)



Children aged 6 to 18, per capita subsistence minimum (annual average)



NOMINAL AND REAL EXPENDITURES OF STATE BUDGET 2021-2026

billions UAH	2021	2022	2023	2024	2025	2026	2026/2021	
Social protection and social support*	341.2	426.0	475.3	475.7	440.0	493.8	1.4	
including:								
Social protection expenditures*	140.1	193.1	201.6	201.0	203.0	242.5	1.7	
Supplementary payments to the Pension Fund	201.2	232.9	273.7	274.7	236.9	251.3	1.2	
Health*	176.2	187.2	181.8	204.2	219.8	258.6	1.5	
Education*	167.6	155.6	153.5	178.5	204.8	278.7	1.7	
Youth and Sports*	6.6	3.7	3.4	6.4	6.0	6.8	1.0	
WASH related*	4.8	4.2	11.6	8.9	12.6	4.5	0.9	
Economic activity	181.0	95.4	134.3	163.1	153.1	177.5	1.0	
Public debt servicing	155.7	157.9	247.6	307.4	429.7	513.1	3.3	
Defense and security	301.9	1,586.2	2,672.2	2,997.1	2,961.8	2,807.1	9.3	
Other expenditures*	155.2	89.3	134.7	145.3	227	227.1	1.5	
TOTAL EXPENDITURES	1,490.2	2,705.4	4,014.4	4,486.6	4,654.8	4,767.3	3.2	

in prices of 2021, billion UAH	2021	2022	2023	2024	2025	2026	2026/2021	
Social protection and social support*	341.2	354.4	350.2	329.1	271.3	275.8	81%	
including:								
Social protection expenditures*	140.1	160.6	148.6	139.1	125.2	135.5	97%	
Supplementary payments to the Pension Fund	201.2	193.8	201.7	190.1	146.1	140.4	70%	
Health*	176.2	155.7	133.9	141.3	135.5	144.5	82%	
Education*	167.6	129.5	113.1	123.5	126.3	155.7	93%	
Youth and Sports*	6.6	3.1	2.5	4.4	3.7	3.8	58%	
WASH related*	4.8	3.5	8.5	6.2	7.8	2.5	53%	
Economic activity	181.0	79.3	99.0	112.9	94.4	99.2	55%	
Public debt servicing	155.7	131.3	182.5	212.7	265.0	286.6	184%	
Defense and security	301.9	1,319.6	1,969.1	2,073.8	1,826.5	1,568.0	519%	
Other expenditures*	155.2	74.3	99.3	100.5	140.0	126.8	82%	
TOTAL EXPENDITURES	1,490.2	2,250.8	2,958.2	3,104.3	2,870.5	2,662.9	179%	

billions USD	2021	2022	2023	2024	2025	2026	2026/2021	
Social protection and social support*	12.5	13.2	13.0	11.8	10.6	11.0	88%	
including:								
Social protection expenditures*	5.1	6.0	5.5	5.0	4.9	5.4	106%	
Supplementary payments to the Pension Fund	7.4	7.2	7.5	6.8	5.7	5.6	76%	
Health*	6.5	5.8	5.0	5.1	5.3	5.8	90%	
Education*	6.1	4.8	4.2	4.4	4.9	6.2	102%	
Youth and Sports*	0.2	0.1	0.1	0.2	0.1	0.2	63%	
WASH related*	0.2	0.1	0.3	0.2	0.3	0.2	58%	
Economic activity	6.6	2.9	3.7	4.1	3.7	4.0	60%	
Public debt servicing	5.7	4.9	6.8	7.7	10.3	11.5	201%	
Defense and security	11.1	49.0	73.1	74.6	77.2	62.8	568%	
Other expenditures*	5.7	2.8	3.7	3.6	5.5	5.1	89%	
TOTAL EXPENDITURES	54.6	83.6	109.8	111.7	111.9	106.7	195%	

STATE BUDGET STRUCTURE 2021-2026

structure, %	2021	2022	2023	2024	2025	2026	2026/2021	
Social protection and social support*	22.9	15.7	11.8	10.6	9.5	10.4	0.5	
including:								
Social protection expenditures*	9.4	7.1	5.0	4.5	4.4	5.1	0.5	
Supplementary payments to the Pension Fund	13.5	8.6	6.8	6.1	5.1	5.3	0.4	
Health*	11.8	6.9	4.5	4.6	4.7	5.4	0.5	
Education*	11.2	5.8	3.8	4.0	4.4	5.8	0.5	
Youth and Sports*	0.4	0.1	0.1	0.1	0.1	0.1	0.3	
WASH related*	0.3	0.2	0.3	0.2	0.3	0.1	0.3	
Economic activity	12.1	3.5	3.3	3.6	3.3	3.7	0.3	
Public debt servicing	10.4	5.8	6.2	6.9	9.2	10.8	1.0	
Defense and security	20.3	58.6	66.6	66.8	63.6	58.9	2.9	
Other expenditures*	10.4	3.3	3.4	3.2	4.9	4.8	0.5	
TOTAL EXPENDITURES	100.0	100.0	100.0	100.0	100.0	100.0		

* all including transfers to local budgets

Source: calculated on the data from <https://openbudget.gov.ua/>, the Ministry of Finance, the Ministry of Economy, the National Bank of Ukraine and the State Statistics Service
 Note: forecast data starts from 2025

*Brief analysis of key allocations
in Ukraine's State Budget 2024*



*Brief analysis of key allocations
in Ukraine's State Budget 2025*



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