



MINISTRY OF ECONOMY
OF UKRAINE



DEPARTMENT FOR STRATEGIC PLANNING AND
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Ukraine: DEVELOPMENT PROSPECTS

RECOVERY GROWTH SCENARIOS

CONSENSUS FORECAST

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The Consensus Forecast "Ukraine: Recovery Growth Scenarios" was prepared to present a consensus view of the most likely scenario of economic recovery after the change in the economic situation caused by the full-scale war started by Russia on February 24, 2022, which forced Ukrainian society to adapt to the functioning in conditions of complete uncertainty about the scale, intensity and duration of hostilities.

The consensus forecast shows an average of the main forecast indicators of Ukraine's economic development, calculated as a median based on expert opinions of the survey participants – leading experts in the field of macroeconomic analysis and forecasting.

The "Consensus Forecast" publication is a periodical of the Ministry of Economy of Ukraine, prepared by the Department of Strategic Planning and Macroeconomic Forecasting, whose main goal is to develop economic policy recommendations to ensure stable and balanced economic growth of Ukraine and macroeconomic forecasting of possible scenarios of the country's development.

The publication should prove useful for government officials, specialists of central and local executive authorities, academics, representatives of NGOs, and for anyone else interested in the country's socio-economic development and macroeconomic forecasting.

The forecast of Ukraine's economic and social development for 2023-2026 presented in this publication is based on materials provided by experts from the Ministry of Economy of Ukraine, the Ministry of Finance of Ukraine, the National Bank of Ukraine, the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine, the State Research Institute for Informatization and Modeling of the Economy, the Institute of Evolutionary Economics, Ptoukha Institute for Demography and Social Studies of the National Academy of Sciences of Ukraine, H.M. Dobrov Institute for Research of Scientific and Technical Potential and History of Science of the National Academy of Sciences of Ukraine, SE "Ukrainian Industrial External Expertize", the Institute for Economic Research and Policy Consulting, the International Centre for Policy Studies, Dragon Capital, CASE Ukraine and Ukrsibbank JSC.

Please note that all forecasts provided by the survey participants are not official forecasts of the institutions, but represent only expert estimates by specialists. The results of the expert survey conducted in April 2023 are presented in this issue of the consensus forecast.

We would like to express our sincere gratitude to all the specialists who participated in this work.

When using the materials, a link to the source is required.

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The publication was prepared by the Ministry of Economy of Ukraine and contains materials presented by leading experts (organizations) engaged in macroeconomic analysis and forecasting.

The purpose of the survey is to improve the quality of macroeconomic forecasts by expressing expert opinion (current economic trends, research results, forecasts), determining prospects for further development of the country and exchanging information between major forecasting organizations (government agencies, international financial organizations, research institutes, analytical centers, non-governmental organizations, etc.).

UKRAINE'S SOCIO-ECONOMIC DEVELOPMENT SITUATION

Since 2014, Ukraine's economy has been operating in the context of Russia's hybrid war against Ukraine. **However, a full-scale war launched by Russia in early 2022 is a new and extraordinary challenge:** human losses, temporary occupation and hostilities on a large territory, destruction of production, housing and infrastructure **are just a few of the challenges faced by business, the population and the government.**

The economy was forced to also adapt to the following:

- **migration of the population**, when ~29% of the population were forced to leave their homes, which, accordingly, affected the decline in consumption and loss of jobs;
- **significant reduction of logistics routes**;
- **significant electricity shortages** and blackout schedules introduced in October and December;
- **increased defense spending**;
- **huge losses incurred** as a result of the Russian aggression.

For reference. According to the World Bank's updated Rapid Damage and Needs Assessment for Ukraine (RDNA2) report for the first year of the war: direct losses amounted to more than USD 135 billion. The economic losses amounted to approximately USD 290 billion, while the reconstruction and development needs amounted to approximately USD 411 billion.

However, the successes of the Armed Forces of Ukraine on the battlefield, the coordinated work of the Government and business, the indomitable spirit of the population, the speed of restoration of destroyed/damaged critical infrastructure by domestic services, as well as systematic financial support from international partners allowed **to hold the economic front.**

As a result:

- **GDP decline for the year amounted to 29.1%, which is significantly less than most experts had expected** at the beginning of the invasion with their estimates ranging from 40-50% of GDP decline;

For reference. The deepest decline in GDP over the years under observation occurred in the second quarter (by 36.9%). In turn, the government's measures to support businesses prevented the economy from falling even further (GDP declined by 30.6% in the third quarter). However, Russia's vigorous terror and artificially slowing down the "bread initiative" had a negative impact on the dynamics of the fourth quarter (declined by 31.4%).

- **consumer price growth for the year amounted to 26.6% (annualized)** and was also smaller and **conditionally comparable to price changes in a number of European countries**, without the influence of war factors;
- **businesses, after almost 86.1% of enterprises had stopped operating** in February-March 2022, adapted to the difficult conditions and returned to work so that in November 2022 only 31.7% of the enterprises remained suspended or with operation stopped (Advanter Group data).

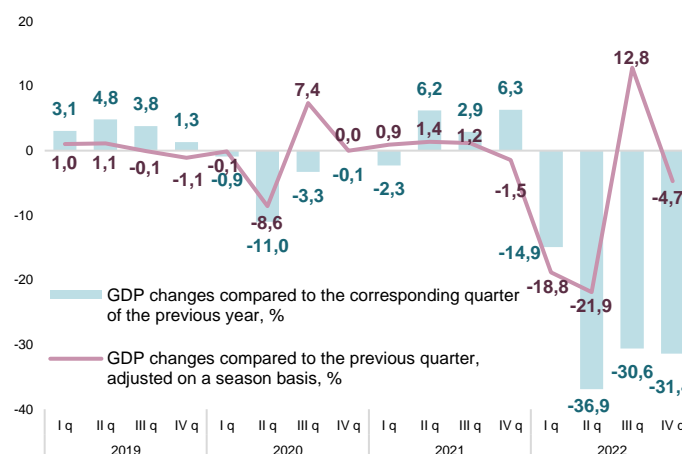
Thus, despite all the difficulties and challenges under conditions of war, Ukraine has managed to:

- **maintain relative macroeconomic and price stability**;

Fig. 1 Temporarily occupied territories and their share in the structure of GRP and industrial production

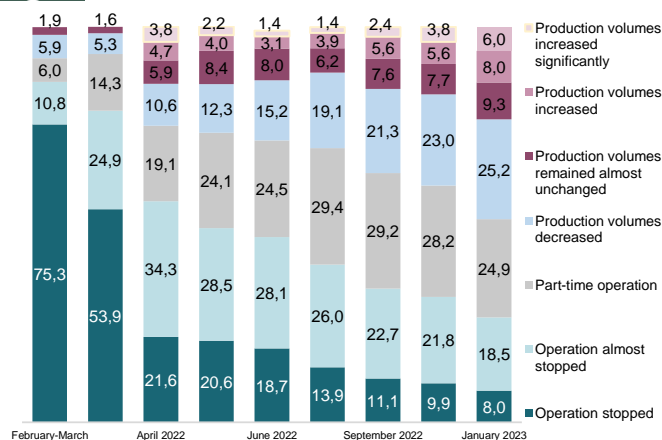


Fig. 2 GDP changes in Ukraine



Source: State Statistics Service

Fig. 3 Business status as related to 23.02.2022, %



Source: Advanter Group

- overcome large-scale production stoppages and the consequences of labour outflows caused by relocation to safe havens.

At the beginning of 2023, Ukraine's economy continues to demonstrate a high level of adaptability to the current challenges of war.

The "energy war" won by Ukraine has added to the optimism of businesses, which have improved their mood about the future and stepped up their operations.

Thus, in March, the Ministry of Economy estimated GDP growth at 32% [$\pm 2\%$] as compared to the corresponding period of 2022, while in general, the decline in Q1 did not exceed 14%.

Consumer inflation continues to decelerate, falling to 21.3% in March, annualized. This inflation rate indicates the ability of the domestic market to successfully respond to the permanent destructive changes caused by the war, the adaptation of the economy to the changes, and the extremely high level of resilience of the economy and society to the war conditions. In general, the consumer inflation rate is comparable to price changes in a number of countries that have not been affected by the war.

However, the war in all its manifestations affects all areas of activity, including exports, which have decreased due to the destruction of production facilities and transport infrastructure, the blocking of ports in the Black and Azov Seas, and, accordingly, the loss of traditional logistics routes. To support domestic producers in difficult war conditions, in 2022, trade liberalization measures were introduced in accordance with Regulation (EU) No. 2022/870 of the European Parliament and of the Council on temporary trade liberalization, which complement the trade concessions applied to Ukrainian products under the EU-Ukraine Association Agreement. Also, the Grain Initiative (signed on August 1, 2022 and extended for additional 120 days on March 18, 2023), combined with the expansion of river ports' capacity, allowed to partially unblock exports and direct Ukrainian grain to the foreign market, which affected the markets of countries that share a common border with Ukraine. But the issue is gradually being resolved, and the EU will provide a financial assistance package to support farmers in countries affected by imports from Ukraine.

The destructive pressure of the war is constantly compensated by the Government's policy of shifting the burden of war consequences from business and the population to the State through guarantee mechanisms and support programs, fixing the Ukrainian hryvnia exchange rate, freezing tariffs for the population, and other initiatives, **which became possible thanks to financial assistance from international partners.**

Since the beginning of the war, there has been active international financial support for Ukraine. In total, since the beginning of the war, as of April 2023, the state budget has received USD 46.3 billion as international financial assistance. This helps to finance the priority needs of the budget, including social expenditures, and helps to ensure Ukraine's financial stability.

Fig. 4 Number of persons who have crossed Ukrainian border, mln persons (as per respective date)

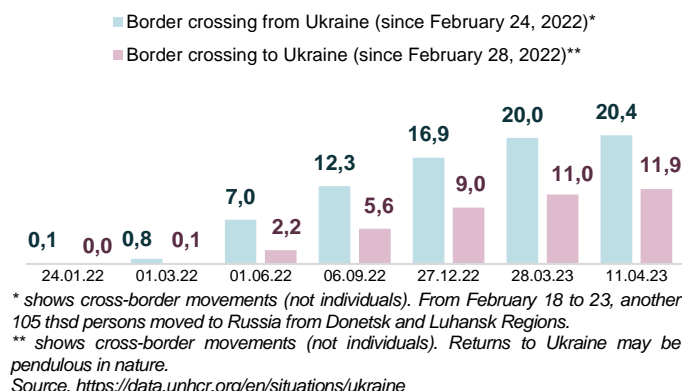


Fig. 5 Number of internally displaced persons, thsd persons (as per respective date)

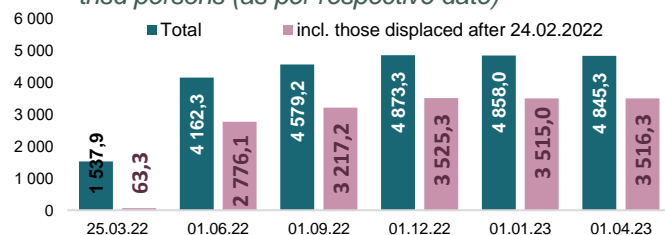


Fig. 6 Changes in consumer prices (harmonized) in some countries and Ukraine in March 2023, % annualized

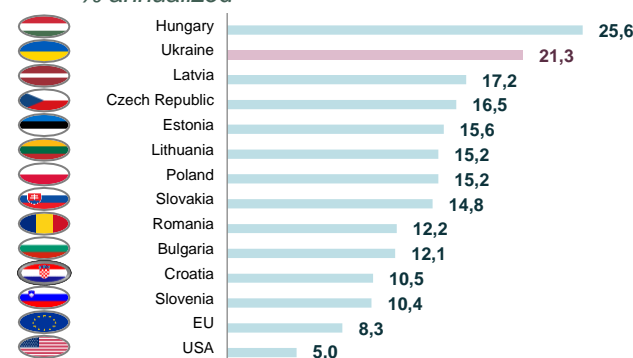
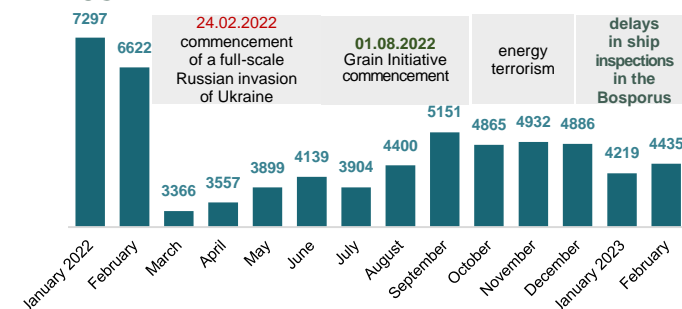


Fig. 7 Exports of goods and services, monthly, USD mln



FORECAST OF MACROECONOMIC INDICATORS

Russia's full-scale war on the territory of Ukraine since February 24, 2022 has dramatically changed both the conditions of economic functioning and forecasting. A high degree of uncertainty, as well as a highly dynamic and unpredictable situation in the field of national and Regional security due to changes in the situation at the front, the intensity and geography of hostilities and their consequences, as well as attacks on critical infrastructure have made it impossible to apply traditional forms and approaches to the process of analyzing and forecasting the country's economic and social development and forced the development of new approaches and forecasting algorithms using data from new sources (according to the current legislation, the state statistics service suspended the publication of most of the statistical information both during the period of martial law or a state of war and for three months after its termination).

Each expert is forced to develop new algorithms and methods for "wartime" predicting, in particular, behavioral models, situational analysis, monitoring surveys, etc. have gained importance, and they are now being carried out not only in real time, but also with increased frequency, with greater variability of changes and a wider range of indicators, including due to the lack of official statistics under martial law.

That is why no relevant meetings on the consensus forecast were held in 2022, while with the beginning of the gradual resumption of the publication of statistical information, in particular by the State Statistics Service, in 2023 we return to the traditional practice of forming a consensus forecast.

Given the permanent changes of the present-time situation that are constantly changing our future, the macroeconomic forecasts for 2023-2026 presented to you should be regarded as plausible options with significantly wider ranges of deviation from the values given in them than such deviation would have occurred in peacetime forecasts.

The above is confirmed by the lack of clarity in the expert community regarding the prospects for the development of the situation in Ukraine. In particular, the surveyed experts give different trends in economic development for the current year – ranging from further decline in the domestic economy (almost half of the experts expect this option to become a reality) with the worst estimate being a 5% drop in real GDP, to recovery growth with the best estimate being "plus" 2.5% growth in real GDP.

As for the next year, despite the unanimity of opinions on economic growth, such estimates vary considerably, from a mere 0.5% growth to an accelerated recovery at 5.4% of real GDP.

A wide range of fluctuations remains for a number of other indicators, including external sector indicators, social indicators, etc.

At the same time, most experts are unanimous in their opinion that the pressure on the budget will decrease (the median value of the consolidated budget deficit will decrease from 19.7% of GDP in 2023 to 14.9% of GDP in 2024), whereas inflation will slow down (from 19.7% in 2023 to 11% in 2024), and financial support for Ukraine will remain stable and, accordingly, the reserves will prove sufficient to support the Ukrainian hryvnia exchange rate.

The high variability of the forecasts available confirms that the forecast quality is influenced not so much by the modeling apparatus quality as by high current uncertainty, the availability and quality of reporting data, as well as expectations regarding the planned steps for economic recovery. At the same time, experts also emphasize the greater dependence of the national economy on external stability and predictability.

Along with that, under the current "military" conditions, the professionalism of analysts, the proliferation and activity in exchange of opinions are the key to forecasting.

Currently, the consensus forecast, despite significant differences between expert opinions, remains one of the most effective mechanisms for making managerial decisions, even though it cannot predict non-systemic shocks.

Table 1

Consensus forecast for 2023-2024

(as of April 2023)

Indicator \ Period	2023	2024	2023		2024	
	Median		MIN	MAX	MIN	MAX
National accounts	UAH bln					
Nominal GDP	6 079,9	7 211,5	5 799,0	7 000,0	6 960,0	8 000,0
National accounts	%, year-on-year					
Real GDP	0,3	3,8	-5,0	2,5	0,5	5,4
Consumption	2,4	2,6	-2,7	6,4	-4,0	4,1
Private consumption	5,5	4,9	-0,3	7,6	4,6	8,9
Public consumption	3,3	-7,2	-1,4	5,6	-19,1	1,2
Gross fixed capital formation	8,9	12,9	-2,4	14,0	0,4	24,7
Exports of goods and services	-3,2	4,1	-15,0	1,5	2,0	5,9
Imports of goods and services	2,3	5,7	-7,0	7,5	-10,4	12,6
Output of certain economic sectors	%, year-on-year					
Agriculture	-1,0	5,8	-10,0	5,9	0,5	7,0
Industrial production	0,2	2,7	-14,0	1,4	1,0	8,8
Inflation	index (%)					
GDP deflator (annual average)	122,2	117,0	114,7	125,0	113,0	119,0
Consumer price index (annual average)	120,7	115,0	111,8	125,5	108,2	117,1
December to December of the previous year	119,7	111,0	109,7	123,6	106,7	117,0
Producer Price Index (annual average)	126,4	120,5	116,8	135,2	114,6	123,0
December to December of the previous year	126,3	116,4	122,0	127,1	114,3	120,0
External sector	USD bln					
Current account	-6,6	-8,4	-20,4	5,0	-11,1	-2,1
Exports of goods and services	55,1	59,2	47,4	65,2	49,3	76,8
Exports of goods	40,2	42,5	35,5	46,3	39,5	55,6
Imports of goods and services	91,2	90,1	63,4	94,7	67,8	106,9
Imports of goods	61,0	66,1	51,6	66,1	53,0	80,2
Financial account	-13,2	-6,8	-1,2	-17,1	-3,3	-9,3
Foreign direct investments	-0,6	-2,8	0,3	-2,3	0,7	-4,2
Gross international reserves of the NBU (at the end of the period)	29,5	30,3	26,0	33,5	27,0	34,9

Table 1 (continued)

Indicator \ Period	2023	2024	2023		2024	
	Median		MIN	MAX	MIN	MAX
External sector	% GDP					
Current account	-4,2	-5,0	-4,0	3,2	-6,1	-1,2
Exports of goods and services	35,3	35,5	34,2	42,3	31,2	44,2
Exports of goods	25,8	25,5	23,1	30,0	22,3	32,0
Imports of goods and services	58,5	54,1	45,8	60,1	42,9	65,1
Imports of goods	39,1	39,7	36,6	41,7	32,4	48,8
Financial account	-14,1	-7,2	-0,8	-3,0	-1,9	-3,2
Foreign direct investments	-0,4	-1,7	0,2	-1,5	0,4	-2,5
Gross international reserves of the NBU (at the end of the period)	18,9	18,2	17,7	21,8	17,0	21,1
External sector	%, year-on-year (value measurement)					
Exports of goods and services	-3,4	8,8	-16,9	14,3	4,0	17,8
Imports of goods and services	9,9	6,2	-23,6	14,1	-7,6	15,7
Exchange rate, UAH/USD						
Average	38,98	43,30	37,45	42,00	39,83	44,87
End of period	41,25	42,70	38,00	43,00	37,00	50,72
Public finance	UAH bln					
Consolidated budget revenues	2 419,5	2 788,6	1 535,0	2 741,0	1 947,0	3 231,0
Consolidated budget expenditures	3 618,8	3 866,0	2 724,0	3 780,0	2 800,0	4 277,3
Consolidated budget balance	-1 199,3	-1 077,4	-925,0	-1 463,0	-614,0	-1 507,8
Government debt (direct and guaranteed)	5 249,6	6 329,7	4 423,0	6 920,7	5 500,0	8 156,9
Public finance	% GDP					
Consolidated budget revenues	39,8	38,7	25,9	47,3	27,8	45,0
Consolidated budget expenditures	59,5	53,6	45,9	64,9	40,0	60,0
Consolidated budget balance	-19,7	-14,9	-16,0	-24,0	-8,5	-19,0
Government debt (direct and guaranteed)	86,3	87,8	76,0	108,8	78,6	102,8
Social indicators						
Number of the employed population aged 15-70, mln	12,2	12,4	11,7	13,3	12,0	14,8
Number of the unemployment population aged 15-70, mln	2,6	2,1	1,3	3,5	1,5	2,4
Unemployment rate of the population aged 15-70 (according to the methodology of the ILO), % to the labour force of the relevant age group	19,8	15,3	10,0	26,1	11,1	20,0
Average monthly salary of employees, UAH	16 723	19 064	14 298	18 166	16 686	22 532
Average monthly salary of employees, adjusted for the Consumer price index, % to the previous year	1,7	4,5	-10,6	5,0	-1,0	7,9

Table 2

Consensus forecast for 2025-2026

(as of April 2023)

Indicator \ Period	2025	2026	2025		2026	
	Median		MIN	MAX	MIN	MAX
National accounts	UAH bln					
Nominal GDP	8 289,8	9 657,5	7 000,0	9 353,7	5 000,0	10 880,9
National accounts	%, year-on-year					
Real GDP	5,2	4,8	3,0	6,8	4,0	7,3
Consumption	4,1	5,5	3,4	5,5	4,7	6,7
Private consumption	6,7	7,2	5,6	10,8	2,2	7,2
Public consumption	-2,1	2,6	-17,1	1,7	-1,6	8,1
Gross fixed capital formation	18,6	17,0	2,6	24,4	3,8	20,0
Exports of goods and services	5,8	7,5	5,4	7,4	6,9	10,0
Imports of goods and services	7,1	8,8	0,6	13,7	5,8	15,0
Output of certain economic sectors	%, year-on-year					
Agriculture	5,3	6,2	4,0	7,0	3,8	7,0
Industrial production	5,9	6,8	4,7	8,0	5,5	10,0
Inflation	index (%)					
GDP deflator (annual average)	111,2	111,0	108,2	116,0	106,5	114,0
Consumer price index (annual average)	109,2	108,0	105,5	113,0	105,2	112,0
December to December of the previous year	109,8	109,5	105,0	114,0	106,3	111,0
Producer Price Index (annual average)	113,9	111,5	110,8	119,0	107,6	117,0
December to December of the previous year	113,7	110,6	109,0	117,0	107,4	115,0
External sector	USD bln					
Current account	-5,5	-7,4	-8,7	-3,5	-13,5	-4,3
Exports of goods and services	66,8	78,7	52,7	88,6	58,0	100,5
Exports of goods	49,8	58,7	42,0	65,3	45,5	74,8
Imports of goods and services	88,2	106,6	75,3	126,1	86,6	141,7
Imports of goods	68,9	78,4	57,7	103,4	67,5	119,0
Financial account	-7,4	-8,8	-4,5	-9,3	-8,7	-13,7
Foreign direct investments	-4,8	-4,5	0,5	-10,5	-0,8	-14,3
Gross international reserves of the NBU (at the end of the period)	31,5	31,5	28,0	35,5	30,8	35,6

Table 2 (continued)

Indicator \ Period	2025	2026	2025		2026	
	Median		MIN	MAX	MIN	MAX
External sector	% GDP					
Current account	-3,1	-3,6	-4,7	-1,8	-6,3	-3,0
Exports of goods and services	37,1	37,9	30,0	46,0	29,7	47,9
Exports of goods	27,7	28,2	23,9	33,9	23,3	35,6
Imports of goods and services	49,0	51,3	42,9	68,0	39,5	66,6
Imports of goods	38,3	37,7	31,2	55,8	29,8	56,0
Financial account	-7,9	-8,2	-2,3	-5,0	-3,6	-6,4
Foreign direct investments	-2,6	-2,2	0,3	-5,7	-0,4	-6,7
Gross international reserves of the NBU (at the end of the period)	17,5	15,2	15,6	19,0	14,4	16,6
External sector	%, year-on-year (value measurement)					
Exports of goods and services	8,8	12,4	6,9	15,4	10,1	15,0
Imports of goods and services	9,9	11,5	-2,5	17,9	8,9	15,0
Exchange rate, UAH/USD						
Average	46,06	46,50	43,60	47,00	44,00	50,00
End of period	43,50	45,00	35,00	48,00	32,00	52,00
Public finance	UAH bln					
Consolidated budget revenues	3 124,1	3 452,4	2 614,0	3 730,0	2 620,0	4 562,0
Consolidated budget expenditures	4 047,0	4 336,5	3 267,0	4 558,0	3 283,0	5 159,0
Consolidated budget balance	-828,0	-671,5	-419,9	-1 403,1	-381,0	-1 305,7
Government debt (direct and guaranteed)	6 298,6	5 979,7	5 100,0	8 974,7	5 000,0	9 656,2
Public finance	% GDP					
Consolidated budget revenues	37,7	35,7	32,0	45,0	27,9	44,2
Consolidated budget expenditures	48,8	44,9	40,0	55,0	35,0	50,0
Consolidated budget balance	-10,0	-7,0	-5,0	-15,0	-4,0	-12,0
Government debt (direct and guaranteed)	76,0	61,9	62,4	97,2	53,3	88,7
Social indicators						
Number of the employed population aged 15-70, mln	12,7	13,4	12,0	15,5	13,0	15,6
Number of the unemployment population aged 15-70, mln	1,9	1,9	1,7	2,6	1,6	2,1
Unemployment rate of the population aged 15-70 (according to the methodology of the ILO), % to the labour force of the relevant age group	14,9	12,6	9,9	17,6	9,3	16,0
Average monthly salary of employees, UAH	22 515	26 300	20 600	26 387	22 283	30 187
Average monthly salary of employees, adjusted for the Consumer price index, % to the previous year	5,9	7,2	4,0	10,5	5,7	11,2

RISKS / EVENTS IN 2023-2026

The risk assessment was based on two criteria: the likelihood of a particular risk actualizing and the impact of the risk on the Ukrainian economy.

Based on the materials provided, an integral risk assessment was calculated as the product of estimates of the probability of the event occurring and the impact of the same on the Ukrainian economy, while weighted by the number of respondents.

The risks for 2023 and 2024 were assessed for the fourth time, while for 2025 and 2026 – for the first time. The maximum consensus assessment of both external and internal risks has an integral estimate of 16.

After operating for many years in the context of Russia's hybrid war against Ukraine, the full-scale war launched on 24.02.2022 became a challenge that changed Ukraine's economic situation, in particular, forced society to adapt to functioning in conditions of complete uncertainty as to the duration of hostilities and identified "new" risks associated with the war – military conditions, which as expected have received high integral estimates.

Thus, the risk "Continuation of the war on the territory of Ukraine" received the maximum estimate (16) for 2023 and (12) for 2024. In the future, for 2025-2026, the estimates for this risk decrease significantly on a yearly basis to 6 and 3, respectively, which indicates that most experts are inclined to believe that the war will end (Ukraine will win over Russia) within the next 2 years.

For various reasons, high integral estimates over the entire forecast period (2023-2026) are given to the risk "Impossibility (due to various reasons) of full economic use of a significant part of the territory that has been occupied and damaged by active hostilities, in particular due to the need for massive demining" – 15, 13, 10 and 8, respectively, which indicates a significant scale of damage.

According to the experts, "De-blockade of Ukrainian seaports and their free use" and "Signing of a peace truce" will take place starting in 2024 (integral estimates of 10 and 9, respectively).

The most significant **external risks** during 2023-2026 are the following:

- "Deep socialization of a significant part of refugees abroad with minimal likelihood of their return in the future";
- "Weakening/delay of financial support for Ukraine's reconstruction from international partners";

during 2023-2024:

- "Significant increase in global food prices";
- "Significant price increases in global energy markets".

According to experts, the process of Ukraine's integration into the EU will be slow only in 2023 (integral estimate 8), with further acceleration over the next three years.

The assessment of risks' actualizing and their impact on the economy of Ukraine was carried out on the following scale:

Assessment of the event occurrence probability	Assessment of the event impact on the Ukrainian economy
Significant probability (50% or more) of the event occurrence – 4	Significant impact – 4
Medium probability (30–49%) of the event occurrence – 3	Medium impact – 3
Reasonable probability (10–29%) of the event occurrence – 2	Insignificant impact – 2
Low probability (below 10%) of the event occurrence – 1	Low impact – 1
Event is improbable – 0	No impact – 0

Among the **internal risks/events** for the domestic economy, the following proved high:

during 2023-2026:

- "Demographic crisis: shortage of labour resources – a very large percentage of the population in need of social support (pensioners, children, disabled) – gender shift";
- "Impossibility of non-issue coverage of the state budget deficit and cash gaps in the Pension Fund and other state social insurance funds";

during 2023-2024:

- "Increased insolvency of economic entities";
- "Continued low lending activity of commercial banks in the real sector";
- "Gaining a low yield of grain crops".

The only internal risk that has been ranked first among the high integral estimates in recent years is "Persistence of the existing corruption level", which has remained high and even increased (9 in 2023 and 2024, with a slight decrease thereafter).

The experts assessed the following risks/events as the least significant for the economy:

- "Emergence of new waves of the COVID-19 pandemic in the world" (among external risks/events);
- "Introduction of a new tax system" (among internal risks/events).

At the same time, in addition to the listed ones, the experts also assessed risks suggested by them, actualization of which is most likely to occur in 2023-2024, such as:

- "Difficulties in preserving sales markets" (maximum integral estimate of 16 in 2023-2024, 9 in 2025 and 6 in 2026);
- "Funding imbalances, degradation of certain sectors of the economy and Regions";
- "China's activation to help Russia in the war" (high integral estimates for 2023-2026).

INTEGRAL ESTIMATES FOR RISKS / EVENTS DURING 2023-2026

Table 3

Military conditions (April 2023)

Military conditions	2023			2024			2025			2026		
	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine
Continuation of war on the territory of Ukraine	16	4	4	12	3	4	6	2	3	3	1	3
Impossibility (due to various reasons) of full economic use of a significant part of the territory that has been occupied and damaged by active hostilities, in particular due to the need for massive demining	15	4	4	13	4	4	10	3	3	8	2	3
De-blockade of Ukrainian seaports and their free use	6	2	4	10	3	4	10	3	4	9	3	3
Signing of a peace truce	4	1	3	9	2	4	8	2	4	7	2	3

External events (April 2023)

External events	2023			2024			2025			2026		
	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine
Deep socialization of a significant part of refugees abroad with minimal likelihood of their return in the future	11	3	3	10	3	3	10	3	3	9	3	3
Significant increase in global food prices	9	3	3	9	3	3	7	2	3	6	2	3
Weakening/delay of financial support for Ukraine's reconstruction from international partners	9	2	4	10	3	4	10	3	4	9	3	4
Significant price increases in global energy markets	8	3	3	8	3	3	7	2	3	6	2	3
Ukraine's slow integration into the EU	8	3	2	7	3	3	6	2	3	5	2	3
Global economic crisis	7	2	3	8	2	3	6	2	3	5	2	3
Emergence of new waves of the COVID-19 pandemic in the world	3	2	2	4	2	2	3	1	2	3	1	2

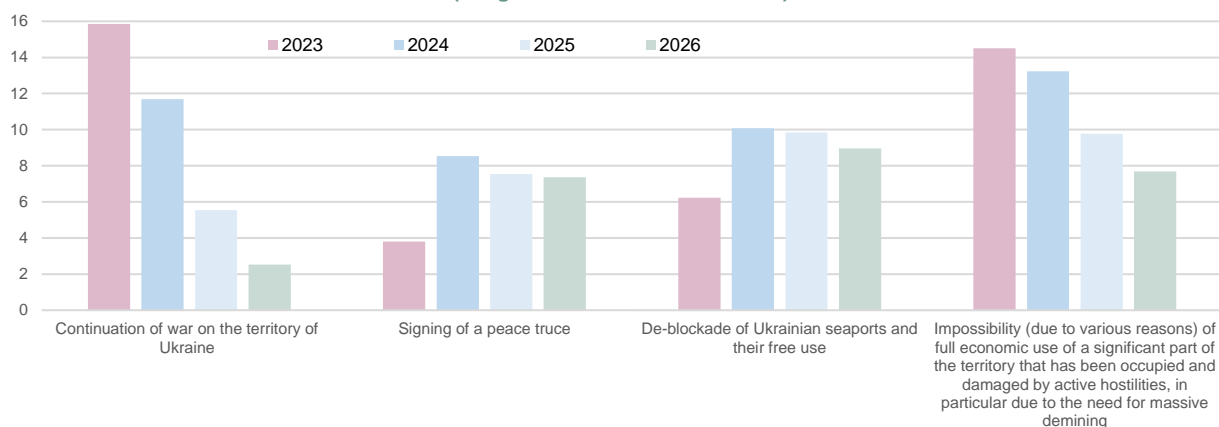
Table 3 (continued)

Internal risks / events (April 2023)

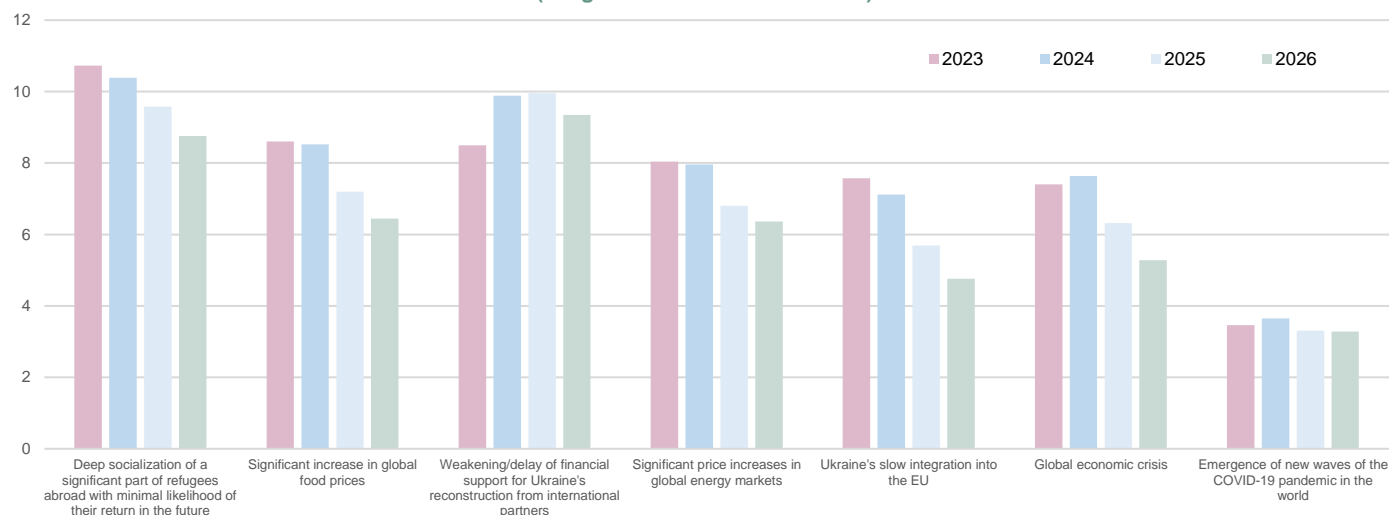
Internal risks / events	2023			2024			2025			2026		
	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine	Integral estimate	Assessment of the probability of realization of the event	Assessment of the impact of the phenomenon on the economy of Ukraine
Demographic crisis: shortage of labour resources - a very large percentage of the population in need of social support (pensioners, children, disabled) - gender shift	10	3	3	12	4	3	10	3	3	10	3	3
Increased insolvency of economic entities	10	3	3	9	3	3	7	2	3	6	2	3
Continued low lending activity of commercial banks in the real sector	10	4	3	9	3	3	7	2	3	6	2	2
Gaining a low yield of grain crops	10	3	3	10	3	3	7	2	3	6	2	3
Impossibility of non-issue coverage of the state budget deficit and cash gaps in the Pension Fund and other state social insurance funds	10	3	3	10	3	3	8	3	3	8	3	3
Impoverishment of the vast majority of the population	9	3	3	9	3	3	7	2	3	6	2	3
Persistence of the existing corruption level	9	3	3	9	3	3	8	3	3	7	2	3
Significant power deficit in the energy sector	9	3	3	7	2	3	5	2	3	3	1	3
Rapid increase in labour migration abroad	7	2	3	7	2	3	7	2	3	7	2	3
Unemployment rate rise to the level of social protest	6	2	3	6	2	3	4	2	2	4	1	2
Introduction of a new tax system	3	1	3	5	2	3	6	2	3	5	2	2

Additional events suggested by experts (April 2023): "Difficulties in preserving sales markets", "Lack of financial assistance (shortage of financial resources)", "Exchange rate depreciation", "Funding imbalances, degradation of certain sectors of the economy and Regions", "China's activation to help Russia in the war", "Unfavorable outcome of the US presidential election in 2024", "Risks of Ukraine's default due to a critical increase in the debt-to-GDP ratio and insufficient economic activity", "Pegging the exchange rate to a basket of world currencies as a necessary temporary measure to keep the financial system from collapsing due to the global crisis", "Capital outflow abroad", "Geopolitical changes in Europe and the United States", "Elections and change of power", "Adoption and implementation of the strategy of putting the economy on a "military track", "Significant increase in the efficiency of state economic policy".

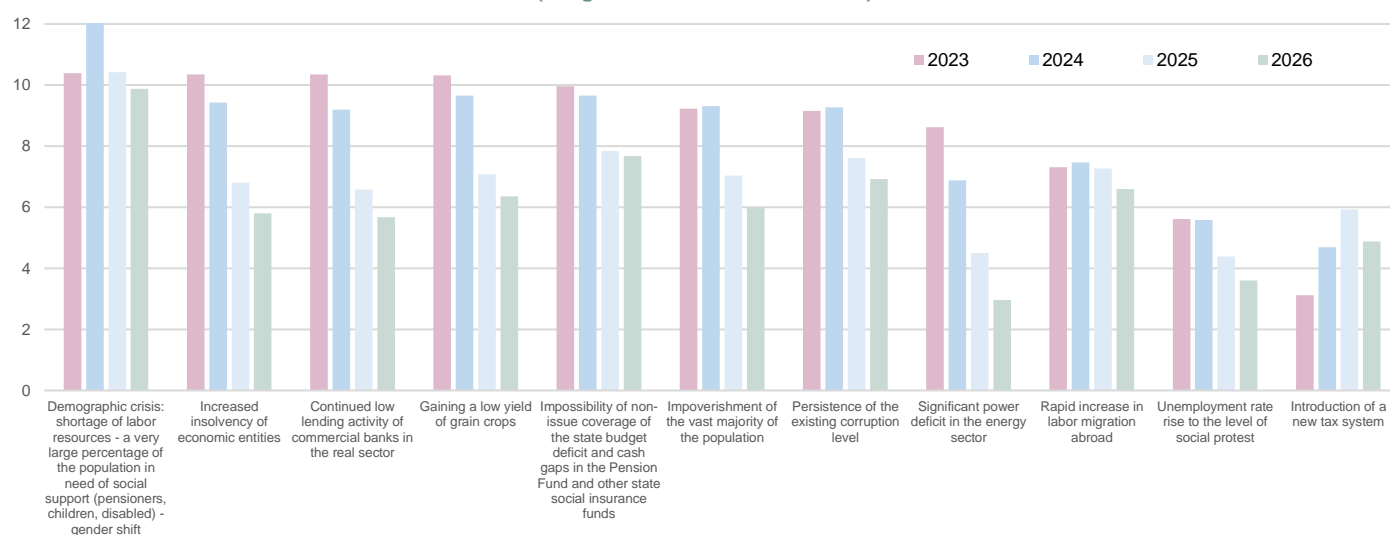
Military conditions (integral estimates for 2023-2026)



External events (integral estimates for 2023-2026)



Internal risks / events (integral estimates for 2023-2026)



SUMMARY OF THE CONSENSUS FORECAST ASSUMPTIONS

Table 4

Indicator \ Period	For 2023, as of:				For 2024, as of:				For 2025, as of:	For 2026, as of:
	07/20	04/21	10/21	04/23	07/20	04/21	10/21	04/23	04/23	04/23
GDP , % real changes:										
USA	2,5	2,8	2,8	1,0	2,0	2,0	2,0	1,4	1,9	2,2
Euro area	1,9	2,8	2,1	0,5	1,6	2,0	2,0	1,5	1,7	1,8
China	5,8	5,8	5,7	5,1	5,5	5,4	5,2	5,1	5,5	6,0
Russian Federation	1,9	2,1	2,0	-1,9	1,8	1,9	1,8	-0,5	1,0	1,5
Brent crude oil price, average annual change, USD/barrel	50	60	64	84	50	60	64	81	74,5	71
Ferrous metals price, average annual change, % to previous year	2,8	1,7	1,0	-1,0	3,0	3,0	3,0	-3,0	-4,0	1,3
Iron ore price, average annual change, % to previous year	1,5	1,7	1,0	-10,0	2,0	3,0	3,0	-10,0	-4,9	0,7
Wheat price, average annual change, % to previous year	1,5	1,0	0,9	-14,0	2,0	1,5	5,0	-8,3	-4,0	1,0
Corn price, average annual change, % to previous year	2,6	2,0	0,9	-12,0	2,5	1,0	0,9	-9,8	-5,4	2,2
Average annual price of imported natural gas, USD/1 thousand m3	183	220	285	900	195	215	300	792,4	662,5	600
Average annual exchange rate, EURO/USD	1,10	1,16	1,15	1,09	1,10	1,15	1,15	1,07	1,07	1,08
Change in tariffs for public utility services for the population (December to December), based on which the Consumer price index is calculated, %, in particular:										
natural gas	6	7,5	7,5	0	6,5	7,5	10	30	27,5	27,5
electricity	5	12,5	10	30	5	7,5	5	20	17,5	17,5
supply of thermal energy and hot water	6	8,5	10	7	2,7	5	7,5	40	26	24
Changes in transportation tariffs (December to December), %, in particular:										
passengers, luggage and luggage of passengers by rail transport	6,5	6,5	10	9,3	6	6,5	5	19,8	20,5	25
freight rail transportation	10	10	7,5	28,6	10	10	7,5	27,5	15	30
Minimum wage, weighted average, UAH	6 800	7 046	7 178	6 925	7 443	7 540	7 683	7 600	8 200	8 800
Gross harvest of grain, mln tons	72	72	72	45	73	71	74	49	54,5	60
NBU Key Policy Rate, % per annum, at the end of the year	7,3	7	7,5	25	6	6	6,8	21	14,5	11
Volume of international financial aid, bln USD	x	x	x	39	x	x	x	40	25	20
Revenue from the privatization of state property, bln UAH	3,0	4,0	3,0	3,0	4,0	2,8	2,3	5,0	5,5	5,0
Average annual population size, mln people	x	x	x	33,0	x	x	x	33,7	34,4	35,5
Migration increase(+)/decrease(-), mln people	x	x	x	-0,5	x	x	x	1,0	1,5	1,3

APPLICATIONS

Table 5

MAIN MACROECONOMIC INDICATORS FOR 2015-2022

Indicator ¹	Period	Report							
	2015	2016	2017	2018	2019	2020	2021	2022	
National accounts, UAH bln									
Nominal GDP		1 988,5	2385,4	2 981,2	3 560,3	3 977,2	4 222,0	5 450,8	5 191,0
Consumption		1 723,6	2 032,3	2 618,1	3 209,3	3 705,1	3 908,8	4 734,3	5 408,2
Gross accumulation		316,8	518,2	595,2	661,8	592,2	377,1	788,6	654,6
Net export of goods and non-factor services		-51,9	-165,2	-232,1	-310,8	-320,1	-63,9	-72,0	-871,8
National accounts, %, year-on-year									
Real GDP		-9,8	2,4	2,4	3,5	3,2	-3,8	3,4	-29,1
Consumption		-15,2	2,0	8,4	7,1	5,3	1,2	5,5	-16,9
Gross fixed capital formation		-9,2	20,4	16,1	16,6	11,7	-21,3	9,3	-34,3
Exports of goods and services		-13,2	-1,8	3,9	-1,4	7,3	-5,8	-8,6	-42,4
Imports of goods and services		-16,7	9,3	12,9	2,8	5,7	-6,4	14,2	-18,5
Output of certain economic sectors, %, year-on-year									
Agriculture		-4,8	6,3	-2,2	8,2	1,4	-10,1	16,4	-28,3*
Industrial production		-12,3	4,0	1,1	3,0	-0,5	-4,5	1,9	-36,9
Inflation, index (%)									
Consumer price index (annual average)		148,7	113,9	114,4	110,9	107,9	102,7	109,4	120,2
December to December of the previous year		143,3	112,4	113,7	109,8	104,1	105,0	110,0	126,6
Producer Price Index (annual average)		136,0	120,5	126,4	117,4	104,1	98,4	140,8	147,3*
December to December of the previous year		125,4	135,7	116,5	114,2	92,6	114,5	162,2	138,2*
External sector, USD bln									
Current account		5,0	-1,9	-3,5	-6,4	-4,1	5,3	-3,9	8,0
Exports of goods and services		47,9	46,0	53,9	59,2	63,6	60,7	81,5	57,0
Imports of goods and services		50,2	52,5	62,7	70,6	76,1	63,1	84,2	83,0
Financial account		4,6	-3,1	-6,0	-9,3	-10,1	3,3	-4,4	11,1
Foreign direct investments (balance)		0,2	-4,0	-3,4	-4,9	-5,2	0,1	-7,5	-0,5
Gross international reserves of the NBU (at the end of the period)		13,3	15,5	18,8	20,8	25,3	29,1	30,9	28,5
Exchange rate, UAH/USD									
Average annual		21,84	25,55	26,60	27,20	25,85	26,96	27,29	32,34
At the end of the year		24,00	27,19	28,07	27,69	23,69	28,27	27,28	36,57
Public finance, UAH bln									
Consolidated budget revenues		652,0	782,9	1 017,0	1 184,3	1 289,8	1 376,7	1 662,3	2196,6
Consolidated budget expenditures		679,9	835,8	1 057,0	1 250,2	1 372,4	1 595,4	1 845,4	3043,9
Consolidated budget balance		-30,9	-54,8	-47,9	-67,8	-87,3	-224,5	-187,8	-845,0
Government debt (direct and guaranteed)		1 572,2	1 929,8	2 141,8	2 168,4	1 998,3	2 551,9	2 672,1	4072,8
Social indicators									
Unemployment rate (as per the ILO methodology), % of the labour force aged 15-70		9,1	9,3	9,5	8,8	8,2	9,5	9,9	18,4*
Average monthly salary of employees, UAH		4 195	5 183	7 104	8 865	10 497	11 591	14 014	14 847

¹ Data from 2015 exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and part of the temporarily occupied territories in Donetsk and Luhansk regions.
 *-as estimated by the Ministry of Economy

Table 6

DYNAMICS OF THE CONSENSUS FORECAST FOR 2023

(July 2020 – April 2023)

Indicator \ Period	2023				
	07/2020	04/2021	10/2021	04/2023	Deviations (04/2023 to 10/2021)
National accounts, UAH bln					
Nominal GDP	5539,5	5 528,0	6491,6	6 079,9	-6,3%
National accounts, % year-on-year					
Real GDP	4,1	3,5	3,4	0,3	-3,1 p.p.
Consumption	3,5	3,4	3,4	2,4	-1,0 p.p.
Gross fixed capital formation	9,3	10,0	10,0	8,9	-1,1 p.p.
Exports of goods and services	5,0	2,4	2,8	-3,2	-6,0 p.p.
Imports of goods and services	6,8	5,0	4,5	2,3	-2,2 p.p.
Output of certain economic sectors, %, year-on-year					
Agriculture	3,7	2,8	3,0	-1,0	-4,0 p.p.
Industrial production	3,8	2,3	3,0	0,2	-2,8 p.p.
Inflation, index (%)					
Consumer price index (annual average)	106,0	106,0	106,7	120,7	+14,0 p.p.
December to December of the previous year	105,4	105,7	106,6	119,7	+13,1 p.p.
Producer Price Index (annual average)	106,8	107,8	110,0	126,4	+16,4 p.p.
December to December of the previous year	106,1	106,8	109,8	126,3	+16,5 p.p.
External sector, USD bln					
Current account	-4,1	-5,7	-5,5	-6,6	-\$1,1 bln
Exports of goods and services	69,9	69,5	77,9	55,1	-29,2%
Exports of goods	x	x	x	40,2	x
Imports of goods and services	82,0	80,1	89,0	91,2	+2,5%
Imports of goods	x	x	x	61,0	x
Financial account	-6,3	-7,5	-6,2	-13,2	+\$7,0 bln
Foreign direct investments	-3,6	-3,5	-5,6	-0,6	-\$5,0 bln
Gross international reserves of the NBU (at the end of the period)	28,2	29,5	30,7	29,5	-\$1,2 bln

Table 6 (continued)

Indicator \ Period	2023				
	07/2020	04/2021	10/2021	04/2023	Deviations (04/2023 to 10/2021)
External sector, % GDP					
Current account	-2,1	-3,0	-2,4	-4,2	-1,8 p.p.
Exports of goods and services	36,6	36,5	34,3	35,3	+1,0 p.p.
Exports of goods	x	x	x	25,8	X
Imports of goods and services	42,9	42,0	39,2	58,5	+19,2 p.p.
Imports of goods	x	x	x	39,1	X
Financial account	-3,7	-5,1	-4,1	-14,1	+10,0 p.p.
Foreign direct investments	-1,9	-1,8	-2,5	-0,4	-2,1 p.p.
Gross international reserves of the NBU (at the end of the period)	14,8	15,5	13,5	18,9	+5,4 p.p.
External sector, % year-on-year (value measurement)					
Exports of goods and services	8,2	5,8	5,8	-3,4	-9,2 p.p.
Imports of goods and services	8,2	6,0	6,9	9,9	+3,0 p.p.
Exchange rate, UAH/USD					
Average annual	29,01	29,00	28,63	38,98	+36,2%
At the end of the year	30,40	29,20	28,40	41,25	+45,2%
Public finance, UAH bln					
Consolidated budget revenues	1571,5	1 707,0	1819,0	2 419,5	+33,0%
Consolidated budget expenditures	1680,5	1 905,0	1992,0	3 618,8	+81,7%
Consolidated budget balance	-127,0	-179,8	-188,1	-1 199,3	+1011 UAH bln
Government debt (direct and guaranteed)	2200,0	2 674,3	2 175,0	5 249,6	+141,4%
Public finance, % GDP					
Consolidated budget revenues	28,4	30,9	28,0	39,8	+11,8 p.p.
Consolidated budget expenditures	30,3	34,5	30,7	59,5	+28,8 p.p.
Consolidated budget balance	-2,3	-3,3	-2,9	-19,7	+16,8 p.p.
Government debt (direct and guaranteed)	39,7	48,4	33,5	86,3	+52,8 p.p.
Social indicators					
Number of the employed population aged 15-70, mln	x	x	x	12,2	x
Number of the unemployment population aged 15-70, mln	x	x	x	2,6	x
Unemployment rate (as per the ILO methodology), % of the labour force aged 15-70	8,9	8,3	8,4	19,8	+11,4 p.p.
Average monthly salary of employees, UAH	15778	16 705	17 263	16 723	-3,1%

Table 7

DYNAMICS OF THE CONSENSUS FORECAST FOR 2024-2026

(July 2020 – April 2023)

Indicator \ Period	2024					2025	2026
	07/2020	04/2021	10/2021	04/2023	Deviations (04/2023 to 10/2021)	04/2023	04/2023
National accounts, UAH bln							
Nominal GDP	6222,3	6 015,0	7 186,6	7 211,5	+0,3%	8 289,8	9 657,5
National accounts, % year-on-year							
Real GDP	4,5	3,9	4,0	3,8	-0,2 p.p.	5,2	4,8
Consumption	3,5	3,8	3,6	2,6	-1,0 p.p.	4,1	5,5
Gross fixed capital formation	9,3	9,7	12,0	12,9	+0,9 p.p.	18,6	17,0
Exports of goods and services	5,3	3,5	2,5	4,1	+1,6 p.p.	5,8	7,5
Imports of goods and services	7,4	5,9	4,3	5,7	+1,4 p.p.	7,1	8,8
Output of certain economic sectors, %, year-on-year							
Agriculture	3,0	2,7	2,0	5,8	+3,8 p.p.	5,3	6,2
Industrial production	4,4	3,8	4,4	2,7	-1,7 p.p.	5,9	6,8
Inflation, index (%)							
Consumer price index (annual average)	105,1	105,3	106,0	115,0	+9,0 p.p.	109,2	108,0
December to December of the previous year	105,0	105,1	106,0	111,0	+5,0 p.p.	109,8	109,5
Producer Price Index (annual average)	106,0	108,0	108,0	120,5	+12,5 p.p.	113,9	111,5
December to December of the previous year	105,7	107,0	107,0	116,4	+9,4 p.p.	113,7	110,6
External sector, USD bln							
Current account	-2,0	-4,0	-4,8	-8,4	-\$3,6 bln	-5,5	-7,4
Exports of goods and services	74,5	74,7	81,7	59,2	-27,5%	66,8	78,7
Exports of goods	x	x	x	42,5	x	49,8	58,7
Imports of goods and services	87,5	82,0	85,8	90,1	+5,1%	88,2	106,6
Imports of goods	x	x	x	66,1	x	68,9	78,4
Financial account	-4,5	-10,0	-6,7	-6,8	+\$0,1 bln	-7,4	-8,8
Foreign direct investments	-4,2	-3,4	-5,6	-2,8	-\$2,9 bln	-4,8	-4,5
Gross international reserves of the NBU (at the end of the period)	28,6	27,6	30,8	30,3	-\$0,6 bln	31,5	31,5

Table 7 (continued)

Indicator \ Period	2024					2025	2026
	07/2020	04/2021	10/2021	04/2023	Deviations (04/2023 to 10/2021)	04/2023	04/2023
External sector, % GDP							
Current account	-1,0	-1,9	-1,9	-5,0	-3,2 p.p.	-3,1	-3,6
Exports of goods and services	35,8	36,1	32,0	35,5	+3,5 p.p.	37,1	37,9
Exports of goods	x	x	x	25,5	x	27,7	28,2
Imports of goods and services	42,0	39,7	33,7	54,1	+20,5 p.p.	49,0	51,3
Imports of goods	x	x	x	39,7	X	38,3	37,7
Financial account	-2,7	-5,9	-3,8	-7,2	+3,4 p.p.	-7,9	-8,2
Foreign direct investments	-2,0	-1,6	-2,2	-1,7	-0,6 p.p.	-2,6	-2,2
Gross international reserves of the NBU (at the end of the period)	13,7	13,4	12,1	18,2	+6,1 p.p.	17,5	15,2
External sector, % year-on-year (value measurement)							
Exports of goods and services	8,4	5,9	6,6	8,8	+2,2 p.p.	8,8	12,4
Imports of goods and services	8,2	6,8	8,0	6,2	-1,8 p.p.	9,9	11,5
Exchange rate, UAH/USD							
Average annual	29,85	29,12	28,20	43,30	+53,5%	46,06	46,50
At the end of the year	32,25	29,60	29,00	42,70	+47,2%	43,50	45,00
Public finance, UAH bln							
Consolidated budget revenues	1723,0	1 865,0	1 992,5	2 788,6	+40,0%	3 124,1	3 452,4
Consolidated budget expenditures	1840,0	2045,0	2169,0	3 866,0	+78,2%	4 047,0	4 336,5
Consolidated budget balance	-124,8	-172,0	-177,7	-1 077,4	+899,7 UAH bln	-828,0	-671,5
Government debt (direct and guaranteed)	2412,5	2 726,9	2 175,0	6 329,7	+191,0%	6 298,6	5 979,7
Public finance, % GDP							
Consolidated budget revenues	31,1	31,0	27,7	38,7	+11,0 p.p.	37,7	35,7
Consolidated budget expenditures	33,2	34,0	30,2	53,6	+23,4 p.p.	48,8	44,9
Consolidated budget balance	-2,3	-2,9	-2,5	-14,9	+12,4 p.p.	-10,0	-7,0
Government debt (direct and guaranteed)	43,6	45,3	30,3	87,8	+57,5 p.p.	76,0	61,9
Social indicators							
Number of the employed population aged 15-70, mln	x	x	x	12,4	x	12,7	13,4
Number of the unemployment population aged 15-70, mln	x	x	x	2,1	x	1,9	1,9
Unemployment rate (as per the ILO methodology), % of the labour force aged 15-70	8,2	8,4	8,5	15,3	+6,9 p.p.	14,9	12,6
Average monthly salary of employees, UAH	17660	18 557	19 000	19 064	+0,3 p.p.	22 515	26 300

Table 8

DYNAMICS OF INTEGRAL ESTIMATES OF RISKS / EVENTS FOR 2023-2026

External events	Integral estimate									
	For 2023, as of:				For 2024, as of:				For 2025, as of:	For 2026, as of:
	Jul	Apr	Oct	Apr	Jul	Apr	Oct	Apr	Apr	Apr
	2020	2021		2023	2020	2021		2023	2023	2023
Global economic crisis	3	3	6	7	3	3	5	8	6	5
Ukraine's slow integration into the EU*	x	x	x	8	x	x	x	7	6	5
Emergence of new waves of the COVID-19 pandemic in the world	3	3	5	3	3	2	3	4	3	3
Significant price increases in global energy markets	4	4	7	8	4	3	7	8	7	6
Significant increase in global food prices*	x	x	x	9	x	x	x	9	7	6
Weakening/delay of financial support for Ukraine's reconstruction from international partners*	x	x	x	9	x	x	x	10	10	9
Deep socialization of a significant part of refugees abroad with minimal likelihood of their return in the future*	x	x	x	11	x	x	x	10	10	9

* - starting from April 2023, the existing risks were supplemented by new ones: "Ukraine's slow integration into the EU", "Significant increase in global food prices", "Weakening/delay of financial support for Ukraine's reconstruction from international partners" and "Deep socialization of a significant part of refugees abroad with minimal likelihood of their return in the future" for 2023-2026

Table 8 (continued)

Internal risks / events	Integral estimate									
	For 2023, as of:				For 2024, as of:				For 2025, as of:	For 2026, as of:
	Jul	Apr	Oct	Apr	Jul	Apr	Oct	Apr	Apr	Apr
	2020	2021		2023	2020	2021		2023	2023	2023
Significant power deficit in the energy sector**	x	x	x	9	x	x	x	7	5	3
Gaining a low yield of grain crops	x	5	3	10	x	5	4	10	7	6
Increased insolvency of economic entities**	x	x	x	10	x	x	x	9	7	6
Impossibility of non-issue coverage of the state budget deficit and cash gaps in the Pension Fund and other state social insurance funds*	6	8	5	10	6	8	4	10	8	8
Continued low lending activity of commercial banks in the real sector	5	7	7	10	4	6	6	9	7	6
Demographic crisis: shortage of labour resources - a very large percentage of the population in need of social support (pensioners, children, disabled) - gender shift**	x	x	x	10	x	x	x	12	10	10
Unemployment rate rise to the level of social protest**	x	x	x	6	x	x	x	6	4	4
Impoverishment of the vast majority of the population**	x	x	x	9	x	x	x	9	7	6
Rapid increase in labour migration abroad	x	x	6	7	x	x	6	7	7	7
Introduction of a new tax system**	x	x	x	3	x	x	x	5	6	5
Persistence of the existing corruption level	8	9	8	9	6	9	7	9	8	7

* - starting from April 2023, the risk "Significant increase in the state budget deficit and cash gaps in the Pension Fund and other state social insurance funds" was amended by the following correction: "Impossibility of non-issue coverage of the state budget deficit ...";

** - starting from April 2023, the existing risks were supplemented by the new ones: "Significant power deficit in the energy sector", "Increased insolvency of economic entities", "Demographic crisis: shortage of labour resources - a very large percentage of the population in need of social support (pensioners, children, disabled) - gender shift", "Unemployment rate rise to the level of social protest", "Impoverishment of the vast majority of the population", "Introduction of a new tax system"

METHODOLOGICAL EXPLANATIONS FOR THE TABLES

The aggregate nominal values and indices are calculated as the median of the respective indicators provided by all forecasting organizations (experts) participating in the survey in order to reduce the impact of indicators that are beyond the largest set of forecast estimates, given that due to the rapidly changing events in the domestic economy and uncertainty and threats to its further development, significant variations/ranges of forecasts provided by all forecasting organizations are formed when experts are interviewed.

Generalized values of the forecast estimates as a percentage of GDP (in particular, for external sector and budget indicators) are calculated as the ratio of the median of the nominal value of the indicator to the corresponding value of GDP calculated also by the median. Forecast indicators in USD are calculated as a percentage of GDP while using the exchange rate median.

The consensus value of the budget deficit/surplus is calculated as the difference between the median of revenues and expenditures.

In preparing this issue, the following materials were provided by the organizations (experts) participating in the survey:

- assumptions of the forecast for the economic policy to be implemented in 2023-2026 and certain quantitative exogenous parameters of development (see Table 4);
- forecast of the basic macroeconomic indicators for 2023-2026 (see Tables 1 and 2);
- expert risk assessment for 2023–2026 (see Tables 3 and 8).

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