

FACTORS OF INFLUENCE ON THE STATE DEBT OF UKRAINE

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The modern economic situation in Ukraine shows that one of the important factors that greatly hamper the development of the country is the excessive growth of debt burden, raising funds on partially favourable conditions side by side with its ineffective and improper usage. Only effective debt policy can increase the debt security, reduce the deficit of the state budget of Ukraine, and promote the economic strength of the country.

The efficiency of the functioning of the system of debt management depends on a variety of factors, which make an influence on the current and strategic tasks and allows doing effective measures in time. Specifically, the main factors, which influence the debt, include: fundamental; local; random; internal and external.

According to the Program on Public Debt Management in 2017, total payments on public debt to be carried out in 2017 by the state

budget estimated at 240 897.4 million UAH, 70.0% of which or 168 698.6 million UAH – payments on domestic debt and 30.0% or 72 198.8 UAH – foreign debt payments.

According to preliminary calculations, the total amount of public debt already exceeds 100% of GDP and, analysed for two years (2014–2015), the tendency to increase the overall size of the debt in the hryvnia equivalent is observed. One of the main provisions of the agreements between the IMF and Ukrainian government is to reduce the ratio of the public debt of Ukraine to the level of 70% of GDP in 2020.

The results of the research indicate the complexity of the public debt management and the necessity to ensure its efficiency. It demands the consideration of a variety of factors of influence, quality accounting, control, and constant monitoring of the structure and dynamics of public debt.