

Provision of deficit and debt data for 2007 - second notification

Euro area and EU27 government deficit at 0.6% and 0.9% of GDP respectively

Government debt at 66.3% and 58.7%

In 2007, the government deficit¹ of both the **euro area**² (EA15) and the **EU27** fell compared with 2006, while the government debt¹ increased in absolute terms. In the **euro area** the government deficit decreased from 1.3% of GDP in 2006 to 0.6% in 2007³, and in the **EU27** it fell from 1.4% to 0.9%. In the **euro area** the government debt to GDP ratio fell from 68.5% at the end of 2006 to 66.3% at the end of 2007, and in the **EU27** from 61.3% to 58.7%.

		2004	2005	2006	2007
Euro area (EA15)					
GDP market prices (mp)	(million euro)	7 820 461	8 110 080	8 504 375	8 927 499
Government deficit (-) / surplus (+)	(million euro)	-228 612	-203 031	-107 956	-55 538
	% of GDP	-2.9	-2.5	-1.3	-0.6
Government expenditure	% of GDP	47.6	47.4	46.7	46.1
Government revenue	% of GDP	44.6	44.8	45.4	45.5
Government debt	(million euro)	5 442 080	5 692 630	5 822 676	5 920 457
	% of GDP	69.6	70.2	68.5	66.3
EU27					
GDP mp	(million euro)	10 602 759	11 062 422	11 672 988	12 342 115
Government deficit (-) / surplus (+)	(million euro)	-303 952	-270 312	-165 793	-106 029
	% of GDP	-2.9	-2.4	-1.4	-0.9
Government expenditure	% of GDP	46.9	46.9	46.3	45.8
Government revenue	% of GDP	44.0	44.4	44.9	45.0
Government debt	(million euro)	6 590 308	6 931 301	7 158 749	7 249 553
	% of GDP	62.2	62.7	61.3	58.7

In 2007 the largest government deficits in percentage of GDP were recorded by **Hungary** (-5.0%), **Greece** (-3.5%), the **United Kingdom** (-2.8%), **France** (-2.7%), **Portugal** (-2.6%) and **Romania** (-2.6%). Twelve Member States registered a government surplus in 2007: **Finland** (+5.3%), **Denmark** (+4.9%), **Sweden** (+3.6%), **Cyprus** (+3.5%), **Luxembourg** (+3.2%), **Estonia** (+2.7%), **Spain** (+2.2%), **Slovenia** (+0.5%), **Netherlands** (+0.3%), **Ireland** (+0.2%), **Bulgaria** (+0.1%) and **Latvia** (+0.1%). In all, 16 Member States recorded an improved government balance relative to GDP in 2007 compared with 2006, and 11 a worsening.

At the end of 2007, the lowest ratios of government debt to GDP were recorded in **Estonia** (3.5%), **Luxembourg** (7.0%), **Latvia** (9.5%) and **Romania** (12.9%). Eight Member States had government debt ratios higher than 60% of GDP in 2007: **Italy** (104.1%), **Greece** (94.8%), **Belgium** (83.9%), **Hungary** (65.8%), **Germany** (65.1%), **France** (63.9%), **Portugal** (63.6%) and **Malta** (62.2%).

In 2007, government expenditure⁴ in the **euro area** was equivalent to 46.1% of GDP, and government revenue⁴ to 45.5%. The figures for the **EU27** were 45.8% and 45.0% respectively. In both zones, the government expenditure ratio decreased between 2006 and 2007, while the government revenue ratio increased slightly.

Reservations on reported data⁵

Greece: Eurostat has withdrawn the reservation on the data reported by Greece in the April 2008 notification (News Release 54/2008 of 18 April 2008 on the provision of data for the excessive deficit procedure). Issues clarified since April 2008 concern the recording of EU grants (in 2006 and 2007), statistical discrepancies (for 2007 data) and the coverage of source data for extra-budgetary funds, local government and social security funds. The Greek authorities have agreed with Eurostat a list of medium-term actions to be implemented.

United Kingdom: In 2007 the Bank of England made a loan of GBP 26.93 bn (1.9% of GDP) to Northern Rock Bank in the context of a rescue operation. Eurostat has taken the provisional view that the Bank of England lending to Northern Rock should have government as the principal party of the transaction in the national account framework. If the loan were to be treated in this way, the debt to GDP ratio would be 46.1% at end 2007 and 44.9% at end 2007/2008. The issue will be the object of further discussion with the Office for National Statistics (ONS). The lending to Northern Rock Bank has no direct impact on the UK government deficit for 2007.

Amendment by Eurostat to reported data⁶

United Kingdom: Eurostat has amended the deficit data notified by the United Kingdom for years 2004 to 2007 for consistency of recording of UMTS licences proceeds in 2000. This leads to an increase in the government deficit in 2004, 2005 and 2007 (as well as for financial year 2004/2005, 2005/2006 and 2007/2008) by GBP 1044 mn (0.1% of GDP) and in 2006 (financial year 2006/2007) by GBP 1045 mn (0.1% of GDP). There is no change in the reported debt figures.

Other issues

Governments have implemented or announced a number of measures in support of financial stability. As far as 2008 is concerned, Eurostat is examining the statistical treatment of these bank rescue operations to ensure a consistent approach.

Background

In this News Release **Eurostat, the Statistical Office of the European Communities**, is providing⁷ government deficit and debt data based on figures reported in the **second 2008 notification** by EU Member States for the years 2004-2007, for the application of the excessive deficit procedure (EDP). This notification is based on the ESA95 system of national accounts. This News Release also includes data on government expenditure and revenue and an annex with the main revisions since the April 2008 News Release.

Eurostat will also be releasing information on the underlying government sector accounts, as well as on the contribution of deficit/surplus and other relevant factors to the variation in the debt level (stock-flow adjustment), on the government finance statistics section on its website:

http://epp.eurostat.ec.europa.eu/pls/portal/url/page/PGP_DS_GFS/PGE_DS_GFS_0

1. According to the Protocol on the excessive deficit procedure annexed to the EC Treaty, government deficit (surplus) means the net borrowing (net lending) of the whole general government sector (central government, state government, local government and social security funds). It is calculated according to national accounts concepts (European System of Accounts, ESA95). Government debt is the consolidated gross debt of the whole general government sector outstanding at the end of the year (at nominal value).
 - Table of euro area and EU27 aggregates: the data are in euro. For those countries not belonging to the euro area, the rate of conversion into euro is as follows:
 - for deficit / surplus and GDP data, the annual average exchange rate;
 - for the stock of government debt, the end of year exchange rate.
 - Table of national data: these are in national currencies. For Cyprus, Malta and Slovenia data for the years prior to the adoption of the euro have been converted into euro according to the irrevocable conversion rate.
2. Euro area (EA15): Belgium, Germany, Greece, Spain, France, Ireland, Italy, Cyprus, Luxembourg, Malta, Netherlands, Austria, Portugal, Slovenia and Finland. In the attached tables, the euro area is defined as including Cyprus, Malta and Slovenia for the full period, although Slovenia joined the euro area on 1 January 2007, and Cyprus and Malta on 1 January 2008.
3. In the previous provision of data for the excessive deficit procedure, the 2007 government deficits for the EA15 and the EU27 were 0.6% and 0.9% of GDP respectively. The government debt of the EA15 was 66.3% of GDP and of the EU27 58.7% of GDP. See News Release 54/2008 of 18 April 2008.
4. Government expenditure and revenue are reported to Eurostat under the ESA95 transmission programme. They are the sum of non-financial transactions by general government, and include both current and capital transactions. For definitions, see Council Regulation No. 2223/96, as amended. It should be noted that the government balance (i.e. the difference between total government revenue and expenditure) is not exactly the same under ESA95 as that for the purpose of the excessive deficit procedure. Regulation (EC) No 2558/2001 on the reclassification of settlements under swaps agreements and forward rate agreements implies that there are two relevant definitions of government deficit/surplus:

- The ESA95 definition of net lending /net borrowing does not include streams of payments and receipts resulting from swap agreements and forward rate agreements, as these are recorded as financial transaction;
- For the purpose of the excessive deficit procedure, streams of payments and receipts resulting from swaps and forward rate agreements are recorded as interest expenditure and contribute to the net lending/net borrowing of general government.

Concerning 2007, for most Member States the difference, if any, between the two balances is minor except in **Greece** (+0.28%) and **Austria** (+0.13%). These differences improve net lending/net borrowing for EDP purposes for both these countries.

5. The term "reservations" is defined in article 8h(1) of Council Regulation 3605/93, as amended. The Commission (Eurostat) expresses reservations when it has doubts on the quality of the reported data.
6. According to Article 8h(2) of Council Regulation 3605/93 as amended, the Commission (Eurostat) may amend actual data reported by Member States and provide the amended data and a justification of the amendment where there is evidence that actual data reported by Member States do not comply with the quality requirements (compliance with accounting rules, completeness, reliability, timeliness and consistency of statistical data).
7. According to Article 8g(1) of Council Regulation 3605/93, Eurostat provides the actual government deficit and debt data for the application of the Protocol on the excessive deficit procedure, within three weeks after the reporting deadlines. This provision of data shall be effected through publication.

*For further information on the methodology of statistics reported under the excessive deficit procedure, please see Council Regulation 3605/93, as amended (consolidated version available at <http://eur-lex.europa.eu/LexUriServ/site/en/consleg/1993/R/01993R3605-20051223-en.pdf>), Council Regulation 2223/96, as amended (consolidated version available at <http://eur-lex.europa.eu/LexUriServ/site/en/consleg/1996/R/01996R2223-20030807-en.pdf>) and the Eurostat publication "**ESA95 manual on government deficit and debt**", second edition (2002), 240 pages, ISBN 92-894-3231-4, pdf file free of charge, paper copy 37 euro (excluding VAT). Additions to this manual on securitisation, capital injections, classification of funded pension schemes, lump sum payments to government in the context of the transfer of pension obligations, and long term contracts between government units and non-government partners are available in the government finance statistics section on the Eurostat website.*

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GDP, government deficit/surplus and debt in the EU (in national currencies)

		2004	2005	2006	2007
Belgium					
GDP mp	(million euro)	289 629	302 112	318 223	334 917
Government deficit (-) / surplus (+)	(million euro)	-532	-7 750	1 093	-966
	% of GDP	-0.2	-2.6	0.3	-0.3
Government expenditure	% of GDP	49.4	52.1	48.4	48.4
Government revenue	% of GDP	49.1	49.4	48.7	48.1
Government debt	(million euro)	273 173	278 392	279 467	280 958
	% of GDP	94.3	92.1	87.8	83.9
Bulgaria					
GDP mp	(million BGN)	38 823	42 797	49 361	56 520
Government deficit (-) / surplus (+)	(million BGN)	606	809	1 487	70
	% of GDP	1.6	1.9	3.0	0.1
Government expenditure	% of GDP	39.7	39.3	36.5	41.5
Government revenue	% of GDP	41.3	41.2	39.5	41.6
Government debt	(million BGN)	14 720	12 498	11 189	10 287
	% of GDP	37.9	29.2	22.7	18.2
Czech Republic					
GDP mp	(million CZK)	2 814 762	2 983 862	3 215 642	3 530 249
Government deficit (-) / surplus (+)	(million CZK)	-83 278	-106 749	-85 902	-34 864
	% of GDP	-3.0	-3.6	-2.7	-1.0
Government expenditure	% of GDP	45.1	45.0	43.8	42.6
Government revenue	% of GDP	42.2	41.4	41.2	41.6
Government debt	(million CZK)	855 102	888 579	951 474	1 020 695
	% of GDP	30.4	29.8	29.6	28.9
Denmark					
GDP mp	(million DKK)	1 466 200	1 548 200	1 641 500	1 696 300
Government deficit (-) / surplus (+)	(million DKK)	29 300	80 500	83 100	82 600
	% of GDP	2.0	5.2	5.1	4.9
Government expenditure	% of GDP	54.6	52.7	51.2	50.8
Government revenue	% of GDP	56.4	57.7	56.1	55.6
Government debt	(million DKK)	641 900	563 100	500 100	443 900
	% of GDP	43.8	36.4	30.5	26.2
Germany					
GDP mp	(million euro)	2 210 900	2 243 200	2 321 500	2 422 900
Government deficit (-) / surplus (+)	(million euro)	-83 520	-74 050	-35 620	-3 950
	% of GDP	-3.8	-3.3	-1.5	-0.2
Government expenditure	% of GDP	47.1	46.8	45.3	43.8
Government revenue	% of GDP	43.3	43.5	43.8	43.9
Government debt	(million euro)	1 451 108	1 521 496	1 569 037	1 577 242
	% of GDP	65.6	67.8	67.6	65.1
Estonia					
GDP mp	(million EEK)	151 012	173 530	205 038	238 929
Government deficit (-) / surplus (+)	(million EEK)	2 498	2 587	5 977	6 448
	% of GDP	1.7	1.5	2.9	2.7
Government expenditure	% of GDP	34.1	34.0	34.2	35.5
Government revenue	% of GDP	35.7	35.5	37.1	38.2
Government debt	(million EEK)	7 615	7 845	8 727	8 334
	% of GDP	5.0	4.5	4.3	3.5
Ireland					
GDP mp	(million euro)	148 975	162 168	177 286	190 603
Government deficit (-) / surplus (+)	(million euro)	2 079	2 738	5 326	444
	% of GDP	1.4	1.7	3.0	0.2
Government expenditure	% of GDP	33.7	33.7	33.8	35.4
Government revenue	% of GDP	35.1	35.4	36.8	35.7
Government debt	(million euro)	43 856	44 230	43 787	47 239
	% of GDP	29.4	27.3	24.7	24.8

GDP, government deficit/surplus and debt in the EU (in national currencies)

		2004	2005	2006	2007
Greece					
GDP mp	(million euro)	185 851	197 645	213 207	228 180
Government deficit (-) / surplus (+)	(million euro)	-13 940	-10 051	-6 018	-7 937
	% of GDP	-7.5	-5.1	-2.8	-3.5
Government expenditure	% of GDP	45.4	43.3	42.2	43.7
Government revenue	% of GDP	38.0	38.1	39.1	40.0
Government debt	(million euro)	183 157	195 338	204 394	216 381
	% of GDP	98.6	98.8	95.9	94.8
Spain					
GDP mp	(million euro)	841 042	908 792	982 303	1 050 595
Government deficit (-) / surplus (+)	(million euro)	-2 862	8 759	19 847	23 259
	% of GDP	-0.3	1.0	2.0	2.2
Government expenditure	% of GDP	38.9	38.4	38.5	38.8
Government revenue	% of GDP	38.5	39.4	40.5	41.0
Government debt	(million euro)	388 374	390 948	389 193	379 951
	% of GDP	46.2	43.0	39.6	36.2
France					
GDP mp	(million euro)	1 660 189	1 726 068	1 807 462	1 892 244
Government deficit (-) / surplus (+)	(million euro)	-59 576	-50 368	-42 570	-50 301
	% of GDP	-3.6	-2.9	-2.4	-2.7
Government expenditure	% of GDP	53.2	53.4	52.7	52.4
Government revenue	% of GDP	49.6	50.4	50.3	49.7
Government debt	(million euro)	1 076 932	1 145 354	1 149 928	1 209 497
	% of GDP	64.9	66.4	63.6	63.9
Italy					
GDP mp	(million euro)	1 391 530	1 428 375	1 479 981	1 535 540
Government deficit (-) / surplus (+)	(million euro)	-48 572	-61 799	-49 982	-24 094
	% of GDP	-3.5	-4.3	-3.4	-1.6
Government expenditure	% of GDP	47.7	48.2	48.8	48.2
Government revenue	% of GDP	44.2	43.8	45.4	46.6
Government debt	(million euro)	1 444 604	1 512 779	1 582 009	1 598 971
	% of GDP	103.8	105.9	106.9	104.1
Cyprus					
GDP mp	(million euro)	12 654	13 462	14 435	15 566
Government deficit (-) / surplus (+)	(million euro)	-516	-326	-173	537
	% of GDP	-4.1	-2.4	-1.2	3.5
Government expenditure	% of GDP	42.8	43.6	43.4	43.0
Government revenue	% of GDP	38.7	41.2	42.2	46.5
Government debt	(million euro)	8 883	9 300	9 331	9 262
	% of GDP	70.2	69.1	64.6	59.5
Latvia					
GDP mp	(million LVL)	7 435	9 059	11 172	13 957
Government deficit (-) / surplus (+)	(million LVL)	-77	-33	-24	9
	% of GDP	-1.0	-0.4	-0.2	0.1
Government expenditure	% of GDP	35.8	35.6	37.9	37.7
Government revenue	% of GDP	34.7	35.2	37.7	37.7
Government debt	(million LVL)	1 110	1 122	1 191	1 331
	% of GDP	14.9	12.4	10.7	9.5
Lithuania					
GDP mp	(million LTL)	62 698	72 060	82 793	98 139
Government deficit (-) / surplus (+)	(million LTL)	-964	-362	-371	-1 210
	% of GDP	-1.5	-0.5	-0.4	-1.2
Government expenditure	% of GDP	33.3	33.3	33.6	35.2
Government revenue	% of GDP	31.8	32.8	33.1	33.9
Government debt	(million LTL)	12 155	13 276	14 939	16 698
	% of GDP	19.4	18.4	18.0	17.0

GDP, government deficit/surplus and debt in the EU (in national currencies)

		2004	2005	2006	2007
Luxembourg					
GDP mp	(million euro)	27 520	30 237	33 921	36 278
Government deficit (-) / surplus (+)	(million euro)	-333	-30	433	1 171
	% of GDP	-1.2	-0.1	1.3	3.2
Government expenditure	% of GDP	42.5	41.6	38.6	37.8
Government revenue	% of GDP	41.3	41.5	39.9	41.0
Government debt	(million euro)	1 742	1 830	2 223	2 524
	% of GDP	6.3	6.1	6.6	7.0
Hungary					
GDP mp	(million HUF)	20 695 365	21 997 374	23 785 244	25 419 164
Government deficit (-) / surplus (+)	(million HUF)	-1 323 658	-1 718 676	-2 205 193	-1 260 757
	% of GDP	-6.4	-7.8	-9.3	-5.0
Government expenditure	% of GDP	48.9	50.1	51.9	49.8
Government revenue	% of GDP	42.6	42.3	42.6	44.9
Government debt	(million HUF)	12 296 209	13 582 512	15 592 502	16 729 304
	% of GDP	59.4	61.7	65.6	65.8
Malta					
GDP mp	(million euro)	4 509	4 800	5 095	5 415
Government deficit (-) / surplus (+)	(million euro)	-213	-135	-117	-96
	% of GDP	-4.7	-2.8	-2.3	-1.8
Government expenditure	% of GDP	45.4	44.7	43.6	42.4
Government revenue	% of GDP	40.7	41.8	41.3	40.6
Government debt	(million euro)	3 249	3 355	3 253	3 370
	% of GDP	72.1	69.9	63.8	62.2
Netherlands					
GDP mp	(million euro)	491 184	513 407	539 929	567 066
Government deficit (-) / surplus (+)	(million euro)	-8 584	-1 359	3 371	1 973
	% of GDP	-1.7	-0.3	0.6	0.3
Government expenditure	% of GDP	46.1	44.8	45.6	45.3
Government revenue	% of GDP	44.3	44.5	46.2	45.6
Government debt	(million euro)	257 604	266 060	256 109	259 031
	% of GDP	52.4	51.8	47.4	45.7
Austria					
GDP mp	(million euro)	232 782	244 453	257 294	270 837
Government deficit (-) / surplus (+)	(million euro)	-10 232	-3 661	-3 950	-1 122
	% of GDP	-4.4	-1.5	-1.5	-0.4
Government expenditure	% of GDP	54.0	49.8	49.4	48.4
Government revenue	% of GDP	49.5	48.2	47.7	47.9
Government debt	(million euro)	150 729	155 753	159 484	161 110
	% of GDP	64.8	63.7	62.0	59.5
Poland					
GDP mp	(million PLN)	924 538	983 302	1 060 031	1 175 266
Government deficit (-) / surplus (+)	(million PLN)	-52 685	-42 519	-40 163	-23 247
	% of GDP	-5.7	-4.3	-3.8	-2.0
Government expenditure	% of GDP	42.6	43.3	43.8	42.0
Government revenue	% of GDP	36.9	39.0	40.0	40.0
Government debt	(million PLN)	422 386	462 742	505 149	527 570
	% of GDP	45.7	47.1	47.7	44.9
Portugal					
GDP mp	(million euro)	144 128	149 124	155 446	163 083
Government deficit (-) / surplus (+)	(million euro)	-4 831	-9 083	-6 092	-4 218
	% of GDP	-3.4	-6.1	-3.9	-2.6
Government expenditure	% of GDP	46.5	47.6	46.3	45.8
Government revenue	% of GDP	43.1	41.6	42.3	43.2
Government debt	(million euro)	84 033	94 792	100 522	103 702
	% of GDP	58.3	63.6	64.7	63.6

GDP, government deficit/surplus and debt in the EU (in national currencies)

		2004	2005	2006	2007
Romania					
GDP mp	(million RON)	246 469	288 176	344 651	404 709
Government deficit (-) / surplus (+)	(million RON)	-3 015	-3 544	-7 646	-10 466
	% of GDP	-1.2	-1.2	-2.2	-2.6
Government expenditure	% of GDP	33.6	33.5	35.3	37.3
Government revenue	% of GDP	32.4	32.3	33.1	34.7
Government debt	(million RON)	46 357	45 626	42 583	52 292
	% of GDP	18.8	15.8	12.4	12.9
Slovenia					
GDP mp	(million euro)	27 073	28 704	31 008	34 471
Government deficit (-) / surplus (+)	(million euro)	-601	-412	-377	177
	% of GDP	-2.2	-1.4	-1.2	0.5
Government expenditure	% of GDP	45.8	45.3	44.5	42.4
Government revenue	% of GDP	43.6	43.8	43.3	42.9
Government debt	(million euro)	7 356	7 755	8 289	8 071
	% of GDP	27.2	27.0	26.7	23.4
Slovakia					
GDP mp	(million SKK)	1 362 042	1 485 671	1 659 398	1 852 781
Government deficit (-) / surplus (+)	(million SKK)	-31 560	-41 628	-58 602	-36 110
	% of GDP	-2.3	-2.8	-3.5	-1.9
Government expenditure	% of GDP	37.7	38.1	37.1	34.6
Government revenue	% of GDP	35.4	35.3	33.5	32.7
Government debt	(million SKK)	564 151	507 525	505 199	543 851
	% of GDP	41.4	34.2	30.4	29.4
Finland					
GDP mp	(million euro)	152 345	157 335	167 041	179 734
Government deficit (-) / surplus (+)	(million euro)	3 625	4 501	6 875	9 583
	% of GDP	2.4	2.9	4.1	5.3
Government expenditure	% of GDP	50.2	50.4	48.9	47.3
Government revenue	% of GDP	52.4	53.1	52.9	52.6
Government debt	(million euro)	67 242	65 053	65 536	63 148
	% of GDP	44.1	41.3	39.2	35.1
Sweden					
GDP mp	(million SEK)	2 624 964	2 735 218	2 899 653	3 070 591
Government deficit (-) / surplus (+)	(million SEK)	20 562	64 912	66 961	109 376
	% of GDP	0.8	2.4	2.3	3.6
Government expenditure	% of GDP	55.6	55.2	54.3	52.7
Government revenue	% of GDP	56.1	57.3	56.5	56.2
Government debt	(million SEK)	1 344 621	1 392 833	1 330 762	1 241 624
	% of GDP	51.2	50.9	45.9	40.4
United Kingdom*					
GDP mp	(million GBP)	1 200 595	1 252 505	1 321 860	1 401 042
Government deficit (-) / surplus (+)	(million GBP)	-41 103	-42 645	-35 304	-38 930
	% of GDP	-3.4	-3.4	-2.7	-2.8
Government expenditure	% of GDP	42.9	44.1	44.2	44.4
Government revenue	% of GDP	39.6	40.8	41.6	41.7
Government debt	(million GBP)	487 860	529 367	573 341	618 775
	% of GDP	40.6	42.3	43.4	44.2
<i>Financial year (fy)</i>					
<i>GDP mp fy</i>	<i>(million GBP)</i>	<i>1 211 978</i>	<i>1 268 395</i>	<i>1 344 308</i>	<i>1 420 607</i>
<i>Government deficit (-) / surplus (+) fy</i>	<i>(million GBP)</i>	<i>-42 971</i>	<i>-39 582</i>	<i>-35 451</i>	<i>-39 781</i>
	<i>% of GDP</i>	<i>-3.5</i>	<i>-3.1</i>	<i>-2.6</i>	<i>-2.8</i>
<i>Government debt fy</i>	<i>(million GBP)</i>	<i>483 806</i>	<i>531 482</i>	<i>574 236</i>	<i>614 360</i>
	<i>% of GDP</i>	<i>39.9</i>	<i>41.9</i>	<i>42.7</i>	<i>43.2</i>

* Data refer to calendar years. Data referring to the financial year (1 April to 31 March), are shown in italics. For the United Kingdom, the relevant data for implementation of the excessive deficit procedure are financial year data.

Annex I

Main revisions between the April 2008 and October 2008 notifications

Below are shown country specific explanations for the largest revisions in deficit and debt for 2004-2007 between the April 2008 and October 2008 notifications, as well as in GDP and in deficit and debt ratios (see table below).

Deficit

Belgium: The revision of the surplus to a deficit for 2004 and the increase in the deficit for 2005 and 2007 are mainly due to the reclassification of capital injections as capital transfers.

Bulgaria: The decrease in the surplus for 2007 is due to new information on a debt cancellation towards Iraq.

Czech Republic: The decrease in the deficit for 2007 is mainly due to updated data for acquisition of non-financial assets and tax revenues.

Germany: The slight revision of the surplus to a deficit for 2007 is related to a call on a government guarantee in connection with IKB (Deutsche Industriebank AG).

Estonia: The decrease in the surplus for 2005 to 2007 is due to the reclassification of foundations and public companies into general government and the reclassification of equity injections to capital transfers. In 2005 and 2007 this is partly off-set by an increase in the surplus due to a change in data sources.

Greece: The increase in the deficit for 2006 and 2007 is due to updated data for taxes, hospitals, social security, changes in the balance of Treasury Accounts at the Central Bank, changes in the recording of the transactions with the EU budget and improved coverage of extra-budgetary bodies.

Spain: The increase in the surplus for 2006 is mainly due to updated data.

Italy: The slight increase in the deficit for 2004 to 2006 and the reduction in the deficit in 2007 are due to the reclassification of the Equitalia group inside general government, as well as to adjustments for interest and for the consolidation of flows between subsectors.

Cyprus: The increase in the surplus for 2007 is due to updated data.

Luxembourg: The increase in the surplus for 2007 is due to updated data.

Hungary: The decrease in the deficit for 2007 is due to updated data and adjustment in the time of recording of various transactions.

Malta: The decrease in the deficit for 2006 is due to a change in the method of recording of taxes to time-adjusted cash.

Austria: The increase in the deficit for 2004 is due to a reclassification of a capital injection into the Austrian railways as a capital transfer.

Slovenia: The revision of the deficit to a surplus for 2007 is mainly due to updated data.

Slovakia: The decrease in the deficit for 2007 is due to a change in the time of recording from 2007 to 1999 of a debt cancellation undertaken by Slovakia towards the Czech Republic, and to updated information on accrued taxes.

Debt

Italy: The increase in the debt in 2006 is due to the sector reclassification of the Equitalia group inside general government and to other methodological adjustments relating to off market swaps.

Netherlands: The increase in the debt for 2007 is due to the reclassification of short term loans previously recorded under other financial liabilities.

GDP

The GDP notified in October 2008 for EDP purposes was revised by a number of Member States compared to that notified in April 2008, most notably by **Slovenia** and **Ireland** (on average for amounts above 1% of GDP over the years 2004-2007). Changes in GDP affect deficit and debt ratios due to the denominator effect.

Revisions in government deficit/surplus and government debt ratios
from the April 2008 to the October 2008 notification

		Deficit/surplus*				Debt			
		2004	2005	2006	2007	2004	2005	2006	2007
Belgium	Revision in deficit/surplus and debt ratios	-0.2	-0.3	0.0	-0.1	0.1	0.0	-0.4	-1.0
	- due to revision of deficit/surplus or debt	-0.2	-0.3	0.0	-0.1	0.1	0.1	0.1	0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	-0.1	-0.5	-1.1
Bulgaria	Revision in deficit/surplus and debt ratios	0.2	0.1	0.0	-3.3	0.0	0.0	0.0	0.0
	- due to revision of deficit/surplus or debt	0.1	0.1	0.0	-3.3	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Czech Republic	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.6	0.0	0.1	0.2	0.2
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.6	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.2
Denmark	Revision in deficit/surplus and debt ratios	0.1	0.2	0.3	0.5	0.0	0.0	0.1	0.2
	- due to revision of deficit/surplus or debt	0.1	0.2	0.2	0.5	0.0	0.0	0.1	0.2
	- due to revision of GDP	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Germany	Revision in deficit/surplus and debt ratios	0.0	0.1	0.1	-0.2	0.0	0.0	0.0	0.1
	- due to revision of deficit/surplus or debt	0.0	0.1	0.1	-0.2	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Estonia	Revision in deficit/surplus and debt ratios	0.1	-0.3	-0.5	-0.1	-0.1	0.0	0.1	0.1
	- due to revision of deficit/surplus or debt	0.1	-0.3	-0.5	-0.2	-0.1	-0.1	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1
Ireland	Revision in deficit/surplus and debt ratios	0.0	0.1	0.0	-0.1	-0.1	-0.1	-0.4	-0.6
	- due to revision of deficit/surplus or debt	0.0	0.1	0.1	-0.1	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	-0.1	0.0	-0.1	-0.1	-0.4	-0.6
Greece	Revision in deficit/surplus and debt ratios	-0.1	0.0	-0.2	-0.7	0.0	0.8	0.6	0.3
	- due to revision of deficit/surplus or debt	-0.1	0.1	-0.2	-0.6	0.2	0.3	0.2	0.0
	- due to revision of GDP	0.0	-0.1	0.0	-0.1	-0.2	0.5	0.4	0.3
Spain	Revision in deficit/surplus and debt ratios	0.0	0.0	0.2	0.0	0.0	0.0	-0.1	0.0
	- due to revision of deficit/surplus or debt	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
France	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.3
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.3
Italy	Revision in deficit/surplus and debt ratios	0.0	-0.1	0.0	0.3	0.0	0.1	0.4	0.1
	- due to revision of deficit/surplus or debt	0.0	-0.1	0.0	0.3	0.0	0.1	0.4	0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cyprus	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.2	0.0	0.0	-0.2	-0.3
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	-0.3
Latvia	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.1	0.0	0.0	0.0	-0.2
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.1	0.0	0.0	0.0	-0.2
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lithuania	Revision in deficit/surplus and debt ratios	0.0	0.0	0.1	0.0	0.0	-0.2	-0.2	-0.3
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.1	0.0	0.0	-0.2	-0.2	-0.3
Luxembourg	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.2
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Hungary	Revision in deficit/surplus and debt ratios	0.1	0.0	-0.1	0.5	0.0	0.1	0.0	-0.2
	- due to revision of deficit/surplus or debt	0.1	0.0	-0.1	0.5	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-0.2

* Revisions to deficit/surplus ratios: a positive sign means an improved government balance relative to GDP, and a negative sign a worsening.

Revisions in government deficit/surplus and government debt ratios
from the April 2008 to the October 2008 notification

		Deficit/surplus*				Debt			
		2004	2005	2006	2007	2004	2005	2006	2007
Malta	Revision in deficit/surplus and debt ratios	-0.1	0.2	0.3	0.0	-0.5	-0.5	-0.4	-0.4
	- due to revision of deficit/surplus or debt	-0.1	0.1	0.2	0.0	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.1	0.1	0.0	-0.5	-0.5	-0.4	-0.4
Netherlands	Revision in deficit/surplus and debt ratios	0.0	0.0	0.1	-0.1	0.0	-0.5	-0.5	0.3
	- due to revision of deficit/surplus or debt	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.9
	- due to revision of GDP	0.0	0.0	0.0	-0.1	0.0	-0.5	-0.6	-0.6
Austria	Revision in deficit/surplus and debt ratios	-0.7	0.0	0.0	0.1	1.0	0.2	0.2	0.4
	- due to revision of deficit/surplus or debt	-0.6	0.0	0.0	0.1	0.0	0.0	0.0	-0.1
	- due to revision of GDP	-0.1	0.0	0.0	0.0	1.0	0.2	0.2	0.5
Poland	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.0	0.0	0.0	0.1	-0.3
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.1	-0.3
Portugal	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1
Romania	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	-0.1
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1
Slovenia	Revision in deficit/surplus and debt ratios	0.1	0.1	0.0	0.6	-0.4	-0.5	-0.5	-0.7
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.6	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.1	0.1	0.0	0.0	-0.4	-0.5	-0.5	-0.7
Slovakia	Revision in deficit/surplus and debt ratios	0.1	0.0	0.1	0.3	0.0	0.0	0.0	0.0
	- due to revision of deficit/surplus or debt	0.0	0.0	0.1	0.2	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.1	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Finland	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.3
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.3
Sweden	Revision in deficit/surplus and debt ratios	0.0	0.2	0.0	0.1	0.0	0.0	0.0	-0.2
	- due to revision of deficit/surplus or debt	0.0	0.1	0.0	0.1	0.0	0.0	0.0	-0.2
	- due to revision of GDP	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
United Kingdom	Revision in deficit/surplus and debt ratios	0.0	0.0	-0.1	0.1	0.2	0.2	0.3	0.4
	- due to revision of deficit/surplus or debt	0.0	0.0	-0.1	0.1	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.2	0.2	0.3	0.4

* Revisions to deficit/surplus ratios: a positive sign means an improved government balance relative to GDP, and a negative sign a worsening.