

Provision of deficit and debt data for 2006

Euro area and EU27 government deficit at 1.6% and 1.7% of GDP respectively

Government debt at 69.0% and 61.7%

In 2006, the government deficit¹ of both the **euro area** (EA13)² and the **EU27** fell compared to 2005, while the government debt¹ increased in absolute terms. In the **euro area** the government deficit decreased from 2.5% of GDP in 2005³ to 1.6% in 2006, and in the **EU27** it fell from 2.4% to 1.7%. In the **euro area** the government debt to GDP ratio fell from 70.5% at the end of 2005 to 69.0% at the end of 2006, and in the **EU27** from 62.9% to 61.7%.

		2003	2004	2005	2006
Euro area (EA13)					
GDP market prices (mp)	(million euro)	7 480 915	7 778 989	8 042 170	8 399 558
Government deficit (-) / surplus (+)	(million euro)	-227 737	-217 116	-198 320	-131 295
	% of GDP	-3.0	-2.8	-2.5	-1.6
Government expenditure	% of GDP	48.2	47.6	47.5	47.4
Government revenue	% of GDP	45.1	44.8	45.1	45.8
Government debt	(million euro)	5 177 440	5 418 980	5 668 535	5 793 637
	% of GDP	69.2	69.7	70.5	69.0
EU27					
GDP mp	(million euro)	10 072 351	10 567 016	11 000 156	11 566 802
Government deficit (-) / surplus (+)	(million euro)	-308 012	-288 214	-262 028	-193 187
	% of GDP	-3.1	-2.7	-2.4	-1.7
Government expenditure	% of GDP	47.4	46.9	46.9	46.8
Government revenue	% of GDP	44.4	44.1	44.6	45.1
Government debt	(million euro)	6 228 686	6 573 046	6 917 168	7 139 968
	% of GDP	61.8	62.2	62.9	61.7

In 2006 the largest government deficits in percentage of GDP were recorded by **Hungary** (-9.2%), **Italy** (-4.4%), **Poland** (-3.9%), **Portugal** (-3.9%) and **Slovakia** (-3.4%). Eleven Member States registered a government surplus in 2006: **Denmark** (+4.2%), **Finland** (+3.9%), **Estonia** (+3.8%), **Bulgaria** (+3.3%), **Ireland** (+2.9%), **Sweden** (+2.2%), **Spain** (+1.8%), **Netherlands** (+0.6%), **Latvia** (+0.4%), **Belgium** (+0.2%) and **Luxembourg** (+0.1%). In all, 22 Member States recorded an improved government balance relative to GDP in 2006 compared to 2005, while five Member States registered a worsening.

At the end of 2006, the lowest ratios of government debt to GDP were recorded in **Estonia** (4.1%), **Luxembourg** (6.8%), **Latvia** (10.0%) and **Romania** (12.4%). Ten Member States had government debt ratios higher than 60% of GDP in 2006: **Italy** (106.8%), **Greece** (104.6%), **Belgium** (89.1%), **Germany** (67.9%), **Malta** (66.5%), **Hungary** (66.0%), **Cyprus** (65.3%), **Portugal** (64.7%), **France** (63.9%) and **Austria** (62.2%).

In 2006, government expenditure⁴ in the **euro area** was equivalent to 47.4% of GDP, and government revenue⁴ to 45.8%. The figures for the **EU27** were 46.8% and 45.1% respectively. In both zones between 2005 and 2006, the government expenditure ratio decreased slightly, while the government revenue ratio increased.

Reservations on reported data⁵

Eurostat has no reservations on the reported data.

Amendments by Eurostat to reported data⁶

Belgium: Eurostat has amended the deficit and debt data notified by Belgium for 2005 and 2006 in relation to the assumption by government (FIF – Fonds de l'infrastructure ferroviaire) in 2005 of 7400 million euro (2.5% of GDP) of the debt of the railway company SNCB. According to ESA95 rules, FIF is classified inside the government sector and the debt assumption is recorded as increasing the deficit. The amendment of the government balance is -7166 mn euro in 2005 and +178.9 mn euro in 2006; the amendment of the government debt at the end of 2005 amounts to +5246 mn euro (1.8% of GDP) and at the end of 2006 to +4982 mn euro (1.6% of GDP).

Portugal: Eurostat has amended upwards the deficit data notified by Portugal in 2005 by 158 mn euro (0.1% of GDP) due to the reclassification of capital injections as capital transfers by government in two hospitals (Santa Maria and Nordeste). According to ESA95 rules, capital injections in public enterprises add to the deficit when government does not act as a private shareholder and there are doubts on the profitability of the project.

United Kingdom: Eurostat has amended the data notified by the United Kingdom for years 2003 to 2006 for consistency of recording of UMTS licences proceeds. This leads to increase in the government deficit in 2003 and 2006 (as well as for financial year 2003/2004) by GBP 1045 mn (0.1% of GDP) and in 2004 and 2005 (financial years 2002/2003, 2004/2005 and 2005/2006) by GBP 1044 mn (0.1% of GDP). There is no change in the reported debt figures.

Greece: Eurostat is using for the purpose of this EDP notification unrevised GDP figures provided by the Greek authorities in an annex to the notification, and not the revised GDP figures included in the April 2007 EDP notification tables. The latter are currently being verified by Eurostat.

Background

In this News Release **Eurostat, the Statistical Office of the European Communities**, is providing government deficit and debt data based on figures reported in the first 2007 notification by EU Member States for the years 2003-2006, 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.

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.
2. Euro area (EA13): Belgium, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Netherlands, Austria, Portugal, Slovenia and Finland. Slovenia joined the euro area on 1st January 2007.
3. In the previous notification, the 2005 government deficits for the EA12 and the EU25 were 2.4% and 2.3% of GDP respectively. The government debt of the EA12 was 70.8% of GDP and of the EU25 63.2% of GDP. See News Release 139/2006 of 23 October 2006.
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 the 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 2006, for most Member States the difference, if any, between the two balances is minor except in **Greece** (0.29%), **Denmark** (0.13%), **Austria** (0.13%), **Sweden** (0.13%) and **Finland** (0.11%). These differences improve net lending/net borrowing for EDP purposes for all these countries.

The data reported by **Sweden** are not strictly comparable to those of the other countries, as Sweden reports interest on an unconsolidated basis, which results in an overestimation of government revenue and expenditure; however, this has no consequences on the government balance and debt.

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).

*For further information on the methodology of statistics reported under the excessive deficit procedure, please see Council Regulation 3605/93 (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, deficit/surplus and debt in the EU (in national currencies)

		2003	2004	2005	2006
Belgium					
GDP mp	(million euro)	274 658	289 509	298 541	313 170
Government deficit (-) / surplus (+)	(million euro)	138	-102	-6 816	657
	% of GDP	0.1	0.0	-2.3	0.2
Government expenditure*	% of GDP	51.1	49.3	52.3	49.1
Government revenue*	% of GDP	51.1	49.2	50.0	49.3
Government debt	(million euro)	270 882	272 916	278 126	278 980
	% of GDP	98.6	94.3	93.2	89.1
Bulgaria					
GDP mp	(million BGN)	34 628	38 823	42 797	49 091
Government deficit (-) / surplus (+)	(million BGN)	-298	835	802	1 633
	% of GDP	-0.9	2.2	1.9	3.3
Government expenditure	% of GDP	40.9	39.3	39.5	36.6
Government revenue	% of GDP	40.0	41.4	41.4	39.9
Government debt	(million BGN)	15 884	14 713	12 486	11 171
	% of GDP	45.9	37.9	29.2	22.8
Czech Republic					
GDP mp	(million CZK)	2 577 110	2 781 060	2 970 261	3 204 086
Government deficit (-) / surplus (+)	(million CZK)	-170 558	-80 918	-104 819	-94 485
	% of GDP	-6.6	-2.9	-3.5	-2.9
Government expenditure	% of GDP	47.3	44.4	44.0	42.5
Government revenue	% of GDP	40.7	41.5	40.4	39.5
Government debt	(million CZK)	774 989	855 102	903 475	973 035
	% of GDP	30.1	30.7	30.4	30.4
Denmark					
GDP mp	(million DKK)	1 400 700	1 459 400	1 552 000	1 636 900
Government deficit (-) / surplus (+)	(million DKK)	-600	28 700	72 400	68 700
	% of GDP	0.0	2.0	4.7	4.2
Government expenditure	% of GDP	55.7	55.4	53.1	51.4
Government revenue	% of GDP	55.6	57.3	57.8	55.6
Government debt	(million DKK)	641 700	641 900	563 100	494 500
	% of GDP	45.8	44.0	36.3	30.2
Germany					
GDP mp	(million euro)	2 161 500	2 207 200	2 241 000	2 307 200
Government deficit (-) / surplus (+)	(million euro)	-86 910	-82 460	-72 380	-39 240
	% of GDP	-4.0	-3.7	-3.2	-1.7
Government expenditure	% of GDP	48.5	47.1	46.8	45.7
Government revenue	% of GDP	44.5	43.4	43.5	44.0
Government debt	(million euro)	1 381 007	1 451 108	1 521 580	1 566 884
	% of GDP	63.9	65.7	67.9	67.9
Estonia					
GDP mp	(million EEK)	132 904	146 694	173 062	204 556
Government deficit (-) / surplus (+)	(million EEK)	2 712	3 423	4 061	7 715
	% of GDP	2.0	2.3	2.3	3.8
Government expenditure	% of GDP	35.3	34.2	33.2	33.2
Government revenue	% of GDP	37.4	36.6	35.5	37.0
Government debt	(million EEK)	7 548	7 609	7 698	8 301
	% of GDP	5.7	5.2	4.4	4.1
Ireland					
GDP mp	(million euro)	138 941	147 569	161 163	175 795
Government deficit (-) / surplus (+)	(million euro)	556	2 063	1 623	5 031
	% of GDP	0.4	1.4	1.0	2.9
Government expenditure	% of GDP	33.5	34.0	34.4	34.1
Government revenue	% of GDP	33.9	35.5	35.5	36.9
Government debt	(million euro)	43 322	43 846	44 229	43 765
	% of GDP	31.2	29.7	27.4	24.9

* Belgium has reported government expenditure and revenue data without taking into account the assumption by government (FIF) in 2005 of 7 400 million euro of debt of the railway company SNCB. Eurostat has adjusted figures for 2005 and 2006 in order to follow ESA95 rules.

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

		2003	2004	2005	2006
Greece					
GDP mp	(million euro)	155 543	168 417	181 088	195 213
Government deficit (-) / surplus (+)	(million euro)	-9 633	-13 379	-9 932	-5 115
	% of GDP	-6.2	-7.9	-5.5	-2.6
Government expenditure	% of GDP	49.5	49.8	47.3	46.1
Government revenue	% of GDP	43.2	41.9	41.6	43.2
Government debt	(million euro)	167 723	182 702	194 666	204 218
	% of GDP	107.8	108.5	107.5	104.6
Spain					
GDP mp	(million euro)	782 531	840 106	905 455	976 189
Government deficit (-) / surplus (+)	(million euro)	-204	-1 510	9 991	17 608
	% of GDP	0.0	-0.2	1.1	1.8
Government expenditure	% of GDP	38.2	38.8	38.2	38.5
Government revenue	% of GDP	38.2	38.6	39.3	40.3
Government debt	(million euro)	381 563	388 372	390 882	389 040
	% of GDP	48.8	46.2	43.2	39.9
France					
GDP mp	(million euro)	1 594 814	1 660 189	1 717 921	1 786 294
Government deficit (-) / surplus (+)	(million euro)	-65 603	-59 789	-50 863	-44 946
	% of GDP	-4.1	-3.6	-3.0	-2.5
Government expenditure	% of GDP	53.3	53.2	53.7	53.5
Government revenue	% of GDP	49.2	49.6	50.7	51.0
Government debt	(million euro)	994 527	1 068 321	1 136 825	1 142 178
	% of GDP	62.4	64.3	66.2	63.9
Italy					
GDP mp	(million euro)	1 335 354	1 390 539	1 423 048	1 475 401
Government deficit (-) / surplus (+)	(million euro)	-46 614	-48 066	-59 523	-65 504
	% of GDP	-3.5	-3.5	-4.2	-4.4
Government expenditure	% of GDP	48.3	47.7	48.3	50.1
Government revenue	% of GDP	44.8	44.2	44.0	45.6
Government debt	(million euro)	1 392 278	1 442 997	1 510 926	1 575 346
	% of GDP	104.3	103.8	106.2	106.8
Cyprus					
GDP mp	(million CYP)	6 866	7 390	7 862	8 362
Government deficit (-) / surplus (+)	(million CYP)	-432	-300	-184	-129
	% of GDP	-6.3	-4.1	-2.3	-1.5
Government expenditure	% of GDP	45.1	42.9	43.6	43.9
Government revenue	% of GDP	38.8	38.8	41.2	42.4
Government debt	(million CYP)	4 746	5 199	5 443	5 461
	% of GDP	69.1	70.3	69.2	65.3
Latvia					
GDP mp	(million LVL)	6 393	7 435	9 059	11 265
Government deficit (-) / surplus (+)	(million LVL)	-104	-76	-20	47
	% of GDP	-1.6	-1.0	-0.2	0.4
Government expenditure	% of GDP	34.8	35.8	35.5	37.0
Government revenue	% of GDP	33.2	34.7	35.2	37.4
Government debt	(million LVL)	923	1 080	1 085	1 128
	% of GDP	14.4	14.5	12.0	10.0
Lithuania					
GDP mp	(million LTL)	56 804	62 587	71 200	81 991
Government deficit (-) / surplus (+)	(million LTL)	-728	-964	-362	-226
	% of GDP	-1.3	-1.5	-0.5	-0.3
Government expenditure	% of GDP	33.2	33.4	33.6	33.6
Government revenue	% of GDP	32.0	31.8	33.1	33.3
Government debt	(million LTL)	12 039	12 155	13 276	14 939
	% of GDP	21.2	19.4	18.6	18.2

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

		2003	2004	2005	2006
Luxembourg					
GDP mp	(million euro)	25 607	26 996	29 396	33 055
Government deficit (-) / surplus (+)	(million euro)	109	-329	-79	31
	% of GDP	0.4	-1.2	-0.3	0.1
Government expenditure	% of GDP	42.0	43.2	42.8	40.4
Government revenue	% of GDP	42.5	41.9	42.6	40.5
Government debt	(million euro)	1 613	1 775	1 801	2 255
	% of GDP	6.3	6.6	6.1	6.8
Hungary					
GDP mp	(million HUF)	18 935 672	20 712 284	22 026 763	23 561 549
Government deficit (-) / surplus (+)	(million HUF)	-1 365 187	-1 336 355	-1 715 713	-2 163 814
	% of GDP	-7.2	-6.5	-7.8	-9.2
Government expenditure	% of GDP	49.1	48.9	50.0	53.0
Government revenue	% of GDP	41.9	42.5	42.2	43.7
Government debt	(million HUF)	10 981 849	12 296 209	13 582 404	15 557 839
	% of GDP	58.0	59.4	61.7	66.0
Malta					
GDP mp	(million MTL)	1 854	1 888	1 991	2 100
Government deficit (-) / surplus (+)	(million MTL)	-186	-94	-62	-54
	% of GDP	-10.0	-5.0	-3.1	-2.6
Government expenditure	% of GDP	48.6	46.8	46.0	45.2
Government revenue	% of GDP	38.6	41.9	42.9	42.7
Government debt	(million MTL)	1 305	1 395	1 440	1 395
	% of GDP	70.4	73.9	72.4	66.5
Netherlands					
GDP mp	(million euro)	476 945	489 854	505 646	527 916
Government deficit (-) / surplus (+)	(million euro)	-14 871	-8 846	-1 307	3 028
	% of GDP	-3.1	-1.8	-0.3	0.6
Government expenditure	% of GDP	47.1	46.3	45.5	46.7
Government revenue	% of GDP	43.9	44.5	45.2	47.2
Government debt	(million euro)	248 009	257 606	266 329	256 982
	% of GDP	52.0	52.6	52.7	48.7
Austria					
GDP mp	(million euro)	226 243	235 819	245 103	256 389
Government deficit (-) / surplus (+)	(million euro)	-3 669	-2 831	-3 866	-2 870
	% of GDP	-1.6	-1.2	-1.6	-1.1
Government expenditure	% of GDP	51.1	50.3	49.9	49.2
Government revenue	% of GDP	49.3	49.0	48.2	48.0
Government debt	(million euro)	146 099	150 599	155 563	159 509
	% of GDP	64.6	63.9	63.5	62.2
Poland					
GDP mp	(million PLN)	843 156	924 538	982 565	1 057 660
Government deficit (-) / surplus (+)	(million PLN)	-52 832	-52 685	-42 519	-41 566
	% of GDP	-6.3	-5.7	-4.3	-3.9
Government expenditure	% of GDP	44.6	42.6	43.4	43.3
Government revenue	% of GDP	38.4	36.9	39.0	39.4
Government debt	(million PLN)	396 728	422 383	462 741	505 426
	% of GDP	47.1	45.7	47.1	47.8
Portugal**					
GDP mp	(million euro)	138 582	144 274	149 021	155 289
Government deficit (-) / surplus (+)	(million euro)	-4 013	-4 792	-9 053	-6 055
	% of GDP	-2.9	-3.3	-6.1	-3.9
Government expenditure	% of GDP	45.5	46.4	47.4	46.1
Government revenue	% of GDP	42.5	43.1	41.4	42.2
Government debt	(million euro)	78 748	83 921	94 717	100 526
	% of GDP	56.8	58.2	63.6	64.7

** Portugal has reported government expenditure and revenue without including the capital injections into Santa Maria and Nordeste Hospitals (158 mn euro) as capital transfer (government expenditure). In order to follow ESA95 rules, Eurostat has adjusted the figure for 2005.

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

		2003	2004	2005	2006
Romania					
GDP mp	(million RON)	197 565	246 469	288 048	342 418
Government deficit (-) / surplus (+)	(million RON)	-2 952	-3 722	-3 970	-6 450
	% of GDP	-1.5	-1.5	-1.4	-1.9
Government expenditure	% of GDP	33.6	32.6	33.7	32.0
Government revenue	% of GDP	32.1	31.1	32.4	30.1
Government debt	(million RON)	42 432	46 341	45 595	42 563
	% of GDP	21.5	18.8	15.8	12.4
Slovenia					
GDP mp	(million euro)	24 259	26 172	27 625	29 736
Government deficit (-) / surplus (+)	(million euro)	-672	-601	-408	-417
	% of GDP	-2.8	-2.3	-1.5	-1.4
Government expenditure	% of GDP	48.0	47.4	47.0	46.3
Government revenue	% of GDP	45.3	45.1	45.6	44.8
Government debt	(million euro)	6 949	7 575	7 837	8 276
	% of GDP	28.6	28.9	28.4	27.8
Slovakia					
GDP mp	(million SKK)	1 221 245	1 358 266	1 470 086	1 636 263
Government deficit (-) / surplus (+)	(million SKK)	-33 562	-32 598	-41 672	-55 415
	% of GDP	-2.7	-2.4	-2.8	-3.4
Government expenditure	% of GDP	40.0	37.7	38.1	37.3
Government revenue	% of GDP	37.2	35.3	35.2	33.9
Government debt	(million SKK)	518 291	564 106	507 428	503 139
	% of GDP	42.4	41.5	34.5	30.7
Finland					
GDP mp	(million euro)	145 938	152 345	157 162	167 911
Government deficit (-) / surplus (+)	(million euro)	3 650	3 526	4 292	6 497
	% of GDP	2.5	2.3	2.7	3.9
Government expenditure	% of GDP	50.0	50.2	50.5	48.6
Government revenue	% of GDP	52.4	52.3	53.0	52.3
Government debt	(million euro)	64 719	67 242	65 053	65 678
	% of GDP	44.3	44.1	41.4	39.1
Sweden					
GDP mp	(million SEK)	2 459 413	2 565 056	2 670 547	2 838 412
Government deficit (-) / surplus (+)	(million SEK)	-21 708	20 917	55 200	63 337
	% of GDP	-0.9	0.8	2.1	2.2
Government expenditure	% of GDP	58.3	56.9	56.6	55.5
Government revenue	% of GDP	57.2	57.5	58.5	57.6
Government debt	(million SEK)	1 314 660	1 344 621	1 392 833	1 331 062
	% of GDP	53.5	52.4	52.2	46.9
United Kingdom***					
GDP mp	(million GBP)	1 131 620	1 198 890	1 249 142	1 314 932
Government deficit (-) / surplus (+)	(million GBP)	-35 946	-37 698	-38 473	-36 418
	% of GDP	-3.2	-3.1	-3.1	-2.8
Government expenditure	% of GDP	42.4	42.7	43.7	44.1
Government revenue	% of GDP	39.3	39.6	40.7	41.4
Government debt	(million GBP)	438 855	483 430	527 094	571 832
	% of GDP	38.8	40.3	42.2	43.5
<i>Financial year (fy)</i>		2002/2003	2003/2004	2004/2005	2005/2006
<i>GDP mp fy</i>	<i>(million GBP)</i>	<i>1 084 454</i>	<i>1 149 555</i>	<i>1 210 243</i>	<i>1 264 653</i>
<i>Government deficit (-) / surplus (+) fy</i>	<i>(million GBP)</i>	<i>-23 041</i>	<i>-34 067</i>	<i>-38 529</i>	<i>-36 803</i>
	<i>% of GDP</i>	<i>-2.1</i>	<i>-3.0</i>	<i>-3.2</i>	<i>-2.9</i>
<i>Government debt fy</i>	<i>(million GBP)</i>	<i>399 259</i>	<i>442 848</i>	<i>481 511</i>	<i>529 198</i>
	<i>% of GDP</i>	<i>36.8</i>	<i>38.5</i>	<i>39.8</i>	<i>41.8</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 October 2006 and April 2007 notifications

Below are shown country specific explanations for the largest revisions in deficit and debt between the October 2006 and April 2007 EDP notifications as well as in GDP and deficit and debt ratios (see table below).

Eurostat's decision on the classification of funded pension schemes in case of government responsibility or guarantee: with the April 2007 notification, the temporary derogation on the implementation of the Eurostat decision on funded pension schemes has come to an end. This has the effect of increasing the deficit/decreasing the surplus as well as increasing the debt for Denmark, Hungary, Poland and Sweden in 2003-2005.

Deficit

Denmark: The decrease in surplus for 2003-2005 relates to the reclassification of funded pension schemes outside government in line with the Eurostat decision of 2 March 2004 and the end of the transitory period granted in September 2004, partially compensated by a revision upwards of tax revenues in 2004 and 2005.

Greece: The increase in deficit for 2004 is mainly due to new information on the time of recording of transfers from the EU budget, in part compensated by an upward revision in tax receivables. The increase in deficit for 2005 is mainly due to a reduction of surpluses of other central government bodies.

Italy: The increase in deficit for 2005 is mainly due to the revised accounting treatment of credit export guarantees (SACE).

Hungary: The increase in deficit for 2003-2005 relates to the reclassification of funded pension schemes outside government in line with the Eurostat decision of 2 March 2004 and the end of the transitory period granted in September 2004.

Latvia: The increase in deficit for 2003 and 2005 is due to the revised data for other accounts receivable and payable, notably relating to claims towards the EU.

Luxembourg: The decrease in deficit for 2005 is mainly due to revisions in VAT and excise duty revenues.

Poland: The increase in deficit for 2003-2005 relates to the reclassification of funded pension schemes outside government in line with the Eurostat decision of 2 March 2004 and the end of the transitory period granted in September 2004.

Slovakia: The decrease in deficit for 2003-2005 is mainly due to a change in the methodology for recording of taxes and social contributions in national accounts, partially compensated in 2004 by a decrease in surplus of other central government bodies.

Sweden: The decrease in surplus for 2003-2005 relates to the reclassification of funded pension schemes outside government in line with the Eurostat decision of 2 March 2004 and the end of the transitory period granted in September 2004.

Debt

Denmark, Hungary, Poland and Sweden: The increase in debt for 2003-2005 relates to the reclassification of funded pension schemes outside government in line with the Eurostat decision of 2 March 2004 and the end of the transitory period granted in September 2004.

GDP

The GDP notified in April 2007 for EDP purposes was revised by small amounts compared to that notified in October 2006 for the reporting period 2003-2005, most notably by **Malta** and **Portugal** (between 1% and 2.5% of GDP). The revision of the GDP for **Greece** as reported in EDP notification tables is still under investigation, owing to the exceptional size of the revision. In effect, there are statistical uncertainties about these revised GDP data, which require a complete verification by Eurostat. Therefore, Eurostat is using for the purpose of this EDP notification unrevised GDP figures provided by the Greek authorities in an annex to the notification.

Changes in GDP affect deficit and debt ratios due to the denominator effect. See table below.

Revisions in government deficit/surplus and government debt ratios

from the October 2006 notification to the April 2007 notification

		Deficit/surplus*			Debt		
		2003	2004	2005	2003	2004	2005
Belgium	Revision in deficit/surplus and debt ratios	0.1	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
	- due to revision of GDP	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	0.1	0.0	0.0	0.0
	- due to revision of deficit/surplus or debt	0.0	0.0	0.1	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Denmark	Revision in deficit/surplus and debt ratios	-1.1	-0.7	-0.2	1.4	1.4	0.4
	- due to revision of deficit/surplus or debt	-1.1	-0.8	-0.2	1.2	1.2	0.4
	- due to revision of GDP	0.0	0.0	0.0	0.3	0.2	0.1
Germany	Revision in deficit/surplus and debt ratios	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
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Estonia	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.0	0.0	-0.1
	- due to revision of deficit/surplus or debt	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
Ireland	Revision in deficit/surplus and debt ratios	0.1	-0.1	-0.1	0.1	0.0	0.0
	- due to revision of deficit/surplus or debt	0.1	-0.1	-0.1	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Greece	Revision in deficit/surplus and debt ratios	-0.1	-0.1	-0.3	0.0	0.0	0.0
	- due to revision of deficit/surplus or debt	-0.1	-0.2	-0.2	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Spain	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.1	0.0	0.1
	- due to revision of deficit/surplus or debt	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
France	Revision in deficit/surplus and debt ratios	0.1	0.1	-0.1	0.0	-0.1	-0.4
	- due to revision of deficit/surplus or debt	0.1	0.0	-0.1	0.0	-0.1	-0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	-0.3
Italy	Revision in deficit/surplus and debt ratios	0.0	-0.1	-0.1	0.0	-0.1	-0.4
	- due to revision of deficit/surplus or debt	0.0	0.0	-0.1	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	-0.1	-0.4
Cyprus	Revision in deficit/surplus and debt ratios	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
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Latvia	Revision in deficit/surplus and debt ratios	-0.4	-0.1	-0.3	0.0	0.0	-0.1
	- due to revision of deficit/surplus or debt	-0.4	-0.1	-0.3	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	-0.2
Lithuania	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.0	0.0	-0.1
	- due to revision of deficit/surplus or debt	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
Luxembourg	Revision in deficit/surplus and debt ratios	0.1	-0.1	0.7	0.0	0.0	0.1
	- due to revision of deficit/surplus or debt	0.2	-0.2	0.7	0.0	0.0	0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Hungary	Revision in deficit/surplus and debt ratios	-0.9	-1.2	-1.3	2.2	3.1	4.0
	- due to revision of deficit/surplus or debt	-0.9	-1.2	-1.3	2.2	3.0	3.9
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Malta	Revision in deficit/surplus and debt ratios	0.0	0.0	0.1	0.2	-1.0	-1.8
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.1	0.1	0.2	-1.1	-1.8

* 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 October 2006 notification to the April 2007 notification

		Deficit/surplus*			Debt		
		2003	2004	2005	2003	2004	2005
Netherlands	Revision in deficit/surplus and debt ratios	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
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Austria	Revision in deficit/surplus and debt ratios	0.0	0.0	-0.1	0.0	0.1	0.1
	- due to revision of deficit/surplus or debt	0.0	0.0	-0.1	0.0	0.0	0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Poland	Revision in deficit/surplus and debt ratios	-1.6	-1.8	-1.8	3.2	3.8	5.1
	- due to revision of deficit/surplus or debt	-1.6	-1.8	-1.9	3.2	3.9	5.2
	- due to revision of GDP	0.0	0.0	0.0	-0.1	-0.1	-0.1
Portugal	Revision in deficit/surplus and debt ratios	0.0	-0.1	-0.1	-0.2	-0.4	-0.4
	- due to revision of deficit/surplus or debt	0.0	-0.2	-0.1	0.2	0.0	0.2
	- due to revision of GDP	0.0	0.0	0.1	-0.4	-0.5	-0.7
Slovenia	Revision in deficit/surplus and debt ratios	0.0	0.0	-0.1	0.1	0.2	0.4
	- due to revision of deficit/surplus or debt	0.0	0.0	-0.1	0.2	0.2	0.4
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
Slovakia	Revision in deficit/surplus and debt ratios	1.0	0.6	0.3	-0.3	-0.1	0.0
	- due to revision of deficit/surplus or debt	1.0	0.6	0.3	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	-0.3	-0.1	0.0
Finland	Revision in deficit/surplus and debt ratios	0.0	0.0	0.0	0.0	-0.2	0.1
	- due to revision of deficit/surplus or debt	0.0	0.0	0.1	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	-0.1	0.1
Sweden	Revision in deficit/surplus and debt ratios	-1.0	-1.0	-0.9	1.7	1.9	1.8
	- due to revision of deficit/surplus or debt	-1.0	-1.0	-1.0	1.7	1.8	1.7
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.2	0.0
United Kingdom	Revision in deficit/surplus and debt ratios	0.1	0.1	0.2	-0.1	-0.1	-0.2
	- due to revision of deficit/surplus or debt	0.1	0.1	0.2	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	0.0	-0.1	-0.1	-0.2

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