

## Provision of deficit and debt data for 2007

## 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 deficit<sup>1</sup> of both the **euro area**<sup>2</sup> (EA15) and the **EU27** fell compared with 2006, while the government debt<sup>1</sup> increased in absolute terms. In the **euro area** the government deficit decreased from 1.3% of GDP in 2006 to 0.6% in 2007<sup>3</sup>, and in the **EU27** it fell from 1.4% to 0.9%. In the **euro area** the government debt to GDP ratio fell from 68.4% at the end of 2006 to 66.3% at the end of 2007, and in the **EU27** from 61.2% to 58.7%.

		2004	2005	2006	2007
<b>Euro area (EA15)</b>					
GDP market prices (mp)	(million euro)	7 822 579	8 107 071	8 494 452	8 903 107
Government deficit (-) / surplus (+)	(million euro)	-226 175	-202 370	-111 487	-54 959
	% of GDP	-2.9	-2.5	-1.3	-0.6
Government expenditure	% of GDP	47.5	47.4	46.8	46.3
Government revenue	% of GDP	44.6	44.9	45.4	45.6
Government debt	(million euro)	5 441 389	5 690 586	5 815 427	5 911 462
	% of GDP	69.5	70.1	68.4	66.3
<b>EU27</b>					
GDP mp	(million euro)	10 613 788	11 066 425	11 673 923	12 333 194
Government deficit (-) / surplus (+)	(million euro)	-301 767	-271 223	-167 750	-109 474
	% of GDP	-2.8	-2.5	-1.4	-0.9
Government expenditure	% of GDP	46.7	46.9	46.3	45.8
Government revenue	% of GDP	43.9	44.4	44.9	44.9
Government debt	(million euro)	6 589 624	6 929 263	7 151 307	7 240 784
	% of GDP	62.0	62.6	61.2	58.7

In 2007 the largest government deficits in percentage of GDP were recorded by **Hungary** (-5.5%), the **United Kingdom** (-2.9%), **Greece** (-2.8%), **France** (-2.7%) and **Portugal** (-2.6%). Eleven Member States registered a government surplus in 2007: **Finland** (+5.3%), **Denmark** (+4.4%), **Sweden** (+3.5%), **Bulgaria** (+3.4%), **Cyprus** (+3.3%), **Luxembourg** (+2.9%), **Estonia** (+2.8%), **Spain** (+2.2%), **Netherlands** (+0.4%), **Ireland** (+0.3%) and **Germany** (0.0%). In all, 17 Member States recorded an improved government balance relative to GDP in 2007 compared to 2006, and 10 a worsening.

At the end of 2007, the lowest ratios of government debt to GDP were recorded in **Estonia** (3.4%), **Luxembourg** (6.8%), **Latvia** (9.7%) and **Romania** (13.0%). Eight Member States had government debt ratios higher than 60% of GDP in 2007: **Italy** (104.0%), **Greece** (94.5%), **Belgium** (84.9%), **Hungary** (66.0%), **Germany** (65.0%), **France** (64.2%), **Portugal** (63.6%) and **Malta** (62.6%).

In 2007, government expenditure<sup>4</sup> in the **euro area** was equivalent to 46.3% of GDP, and government revenue<sup>4</sup> to 45.6%. The figures for the **EU27** were 45.8% and 44.9% respectively. In both zones between 2006 and 2007, the government expenditure ratio decreased, while the government revenue ratio increased slightly for the **euro area** and stayed unchanged for the **EU27**.

## Reservation on reported data<sup>5</sup>

**Greece:** Eurostat is in the process of clarifying, in close co-operation with the Greek statistical authorities, some issues relating to the recording of EU grants in 2006 and 2007, the existence of a substantial statistical discrepancy in 2007 of 0.6% of GDP and the insufficient coverage of source data for extra-budgetary funds, local government and social security funds achieved for the first estimate of the 2007 balance.

## Amendment by Eurostat to reported data<sup>6</sup>

**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. This leads to an increase in the government deficit in 2004, 2005 and 2007 (as well as for financial year 2004/2005 and 2005/2006) by GBP 1044 mn (0.1% of GDP) and in 2006 (financial years 2003/2004 and 2006/2007) by GBP 1045 mn (0.1% of GDP). There is no change in the reported debt figures.

## Other issues

Eurostat is in the process of clarifying the accounting treatment of flows and debt relating to public infrastructure investments, as well as the sector classification of the concerned public units.

The recent events in the financial markets, as well as the interventions of governments in support of affected financial institutions directly or indirectly, have raised a number of national accounting issues, which will be addressed with the concerned Member States in the coming weeks.

## Background

In this News Release **Eurostat, the Statistical Office of the European Communities**, is providing<sup>7</sup> government deficit and debt data based on figures reported in the **first 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 October 2007 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](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 and Malta, data for years prior to 2008 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 and Malta for the full period, though Cyprus and Malta joined the euro area on 1 January 2008.
3. In the previous notification, the 2006 government deficits for the EA13 and the EU27 were 1.5% and 1.6% of GDP respectively. The government debt of the EA13 was 68.6% of GDP and of the EU27 61.4% of GDP. See News Release 142/2007 of 22 October 2007.
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 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.*

Issued by:  
**Eurostat Press Office**

**Tim ALLEN**  
**Tel: +352-4301-33 444**  
**[eurostat-pressoffice@ec.europa.eu](mailto:eurostat-pressoffice@ec.europa.eu)**

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

		2004	2005	2006	2007
<b>Belgium</b>					
GDP mp	(million euro)	289 690	301 966	316 622	330 470
Government deficit (-) / surplus (+)	(million euro)	39	-6901	1096	-574
	% of GDP	0.0	-2.3	0.3	-0.2
Government expenditure	% of GDP	49.2	51.8	48.5	48.9
Government revenue	% of GDP	49.1	49.4	48.8	48.7
Government debt	(million euro)	272 894	278 170	279 279	280 507
	% of GDP	94.2	92.1	88.2	84.9
<b>Bulgaria</b>					
GDP mp	(million BGN)	38 822.6	42 797.4	49 361.0	56 519.8
Government deficit (-) / surplus (+)	(million BGN)	557.9	772.0	1 478.0	1 919.1
	% of GDP	1.4	1.8	3.0	3.4
Government expenditure	% of GDP	39.7	39.2	36.4	37.8
Government revenue	% of GDP	41.2	41.0	39.4	41.2
Government debt	(million BGN)	14 720.4	12 498.0	11 189.2	10 281.7
	% of GDP	37.9	29.2	22.7	18.2
<b>Czech Republic</b>					
GDP mp	(million CZK)	2 814 762	2 987 722	3 231 576	3 557 653
Government deficit (-) / surplus (+)	(million CZK)	-83 278	-106 749	-85 902	-56 070
	% of GDP	-3.0	-3.6	-2.7	-1.6
Government expenditure	% of GDP	45.1	44.9	43.6	42.4
Government revenue	% of GDP	42.2	41.4	41.0	40.8
Government debt	(million CZK)	855 102	888 579	951 474	1 019 418
	% of GDP	30.4	29.7	29.4	28.7
<b>Denmark</b>					
GDP mp	(million DKK)	1 466 200	1 548 200	1 641 500	1 695 500
Government deficit (-) / surplus (+)	(million DKK)	27 200	77 400	79 300	74 600
	% of GDP	1.9	5.0	4.8	4.4
Government expenditure	% of GDP	54.6	52.7	51.2	50.6
Government revenue	% of GDP	56.4	57.7	56.1	55.1
Government debt	(million DKK)	641 900	563 100	498 400	440 900
	% of GDP	43.8	36.4	30.4	26.0
<b>Germany</b>					
GDP mp	(million euro)	2 211 200	2 244 600	2 322 200	2 423 800
Government deficit (-) / surplus (+)	(million euro)	-83 550	-75 350	-36 960	440
	% of GDP	-3.8	-3.4	-1.6	0.0
Government expenditure	% of GDP	47.1	46.9	45.4	43.9
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	1 576 305
	% of GDP	65.6	67.8	67.6	65.0
<b>Estonia</b>					
GDP mp	(million EEK)	149 923	175 392	207 061	243 252
Government deficit (-) / surplus (+)	(million EEK)	2 333	3 075	6 941	6 866
	% of GDP	1.6	1.8	3.4	2.8
Government expenditure	% of GDP	34.1	33.5	33.0	33.7
Government revenue	% of GDP	35.9	35.4	36.6	36.9
Government debt	(million EEK)	7 719	7 938	8 787	8 302
	% of GDP	5.1	4.5	4.2	3.4
<b>Ireland</b>					
GDP mp	(million euro)	148 502	161 498	174 705	185 788
Government deficit (-) / surplus (+)	(million euro)	2 053	2 637	5 213	554
	% of GDP	1.4	1.6	3.0	0.3
Government expenditure	% of GDP	33.9	33.8	34.2	36.4
Government revenue	% of GDP	35.3	35.5	37.2	36.7
Government debt	(million euro)	43 857	44 228	43 783	47 199
	% of GDP	29.5	27.4	25.1	25.4

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

		2004	2005	2006	2007
<b>Greece</b>					
GDP mp	(million euro)	185 225	198 609	213 985	228 949
Government deficit (-) / surplus (+)	(million euro)	-13 672	-10 204	-5 646	-6 514
	% of GDP	-7.4	-5.1	-2.6	-2.8
Government expenditure	% of GDP	45.4	43.1	42.3	43.3
Government revenue	% of GDP	38.1	37.8	39.4	40.2
Government debt	(million euro)	182 702	194 666	204 018	216 362
	% of GDP	98.6	98.0	95.3	94.5
<b>Spain</b>					
GDP mp	(million euro)	841 042	908 450	980 954	1 049 848
Government deficit (-) / surplus (+)	(million euro)	-2 862	8 759	17 538	23 139
	% of GDP	-0.3	1.0	1.8	2.2
Government expenditure	% of GDP	38.9	38.5	38.6	38.8
Government revenue	% of GDP	38.5	39.4	40.4	41.0
Government debt	(million euro)	388 374	390 948	389 193	379 742
	% of GDP	46.2	43.0	39.7	36.2
<b>France</b>					
GDP mp	(million euro)	1 660 189	1 726 121	1 807 462	1 883 643
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	52.6
Government revenue	% of GDP	49.6	50.4	50.3	49.9
Government debt	(million euro)	1 076 932	1 145 354	1 149 928	1 209 497
	% of GDP	64.9	66.4	63.6	64.2
<b>Italy</b>					
GDP mp	(million euro)	1 391 530	1 428 375	1 479 981	1 535 540
Government deficit (-) / surplus (+)	(million euro)	-48 312	-60 428	-49 634	-29 179
	% of GDP	-3.5	-4.2	-3.4	-1.9
Government expenditure	% of GDP	47.7	48.2	48.8	48.5
Government revenue	% of GDP	44.2	43.8	45.4	46.6
Government debt	(million euro)	1 444 604	1 511 554	1 575 636	1 596 762
	% of GDP	103.8	105.8	106.5	104.0
<b>Cyprus</b>					
GDP mp	(million euro)	12 654	13 462	14 394	15 490
Government deficit (-) / surplus (+)	(million euro)	-516	-326	-173	506
	% of GDP	-4.1	-2.4	-1.2	3.3
Government expenditure	% of GDP	42.8	43.6	43.6	43.9
Government revenue	% of GDP	38.7	41.2	42.4	47.2
Government debt	(million euro)	8 883	9 300	9 331	9 262
	% of GDP	70.2	69.1	64.8	59.8
<b>Latvia</b>					
GDP mp	(million LVL)	7 435	9 059	11 172	13 957
Government deficit (-) / surplus (+)	(million LVL)	-77	-32	-24	-6
	% of GDP	-1.0	-0.4	-0.2	0.0
Government expenditure	% of GDP	35.8	35.6	37.9	38.0
Government revenue	% of GDP	34.7	35.2	37.7	38.0
Government debt	(million LVL)	1 110	1 122	1 191	1 356
	% of GDP	14.9	12.4	10.7	9.7
<b>Lithuania</b>					
GDP mp	(million LTL)	62 587	71 380	81 905	96 740
Government deficit (-) / surplus (+)	(million LTL)	-964	-362	-373	-1 192
	% of GDP	-1.5	-0.5	-0.5	-1.2
Government expenditure	% of GDP	33.4	33.6	33.9	35.6
Government revenue	% of GDP	31.8	33.1	33.4	34.3
Government debt	(million LTL)	12 155	13 276	14 939	16 698
	% of GDP	19.4	18.6	18.2	17.3

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

		2004	2005	2006	2007
<b>Luxembourg</b>					
GDP mp	(million euro)	27 439	30 032	33 853	36 608
Government deficit (-) / surplus (+)	(million euro)	-338	-34	439	1 072
	% of GDP	-1.2	-0.1	1.3	2.9
Government expenditure	% of GDP	42.6	41.8	38.6	37.5
Government revenue	% of GDP	41.4	41.7	39.9	40.5
Government debt	(million euro)	1 742	1 830	2 220	2 493
	% of GDP	6.3	6.1	6.6	6.8
<b>Hungary</b>					
GDP mp	(million HUF)	20 717 110	22 055 093	23 757 230	25 373 909
Government deficit (-) / surplus (+)	(million HUF)	-1 336 355	-1 715 713	-2 191 508	-1 394 283
	% of GDP	-6.5	-7.8	-9.2	-5.5
Government expenditure	% of GDP	48.9	49.9	51.9	50.1
Government revenue	% of GDP	42.4	42.1	42.6	44.6
Government debt	(million HUF)	12 296 209	13 582 512	15 592 502	16 735 489
	% of GDP	59.4	61.6	65.6	66.0
<b>Malta</b>					
GDP mp	(million euro)	4 475	4 763	5 067	5 377
Government deficit (-) / surplus (+)	(million euro)	-208	-141	-129	-96
	% of GDP	-4.6	-3.0	-2.6	-1.8
Government expenditure	% of GDP	45.8	45.0	43.9	42.5
Government revenue	% of GDP	41.1	42.1	41.3	40.7
Government debt	(million euro)	3 249	3 355	3 253	3 368
	% of GDP	72.6	70.4	64.2	62.6
<b>Netherlands</b>					
GDP mp	(million euro)	491 184	508 964	534 324	559 537
Government deficit (-) / surplus (+)	(million euro)	-8 584	-1 389	2 731	2 221
	% of GDP	-1.7	-0.3	0.5	0.4
Government expenditure	% of GDP	46.1	45.2	46.1	45.9
Government revenue	% of GDP	44.3	44.9	46.6	46.3
Government debt	(million euro)	257 604	266 221	255 831	253 818
	% of GDP	52.4	52.3	47.9	45.4
<b>Austria</b>					
GDP mp	(million euro)	236 149	245 330	257 897	272 766
Government deficit (-) / surplus (+)	(million euro)	-8 825	-3 614	-3 858	-1 459
	% of GDP	-3.7	-1.5	-1.5	-0.5
Government expenditure	% of GDP	52.6	49.7	49.2	48.2
Government revenue	% of GDP	48.8	48.1	47.6	47.5
Government debt	(million euro)	150 771	155 670	159 457	161 328
	% of GDP	63.8	63.5	61.8	59.1
<b>Poland</b>					
GDP mp	(million PLN)	924 538	983 302	1 060 194	1 166 721
Government deficit (-) / surplus (+)	(million PLN)	-52 685	-42 519	-40 163	-23 697
	% of GDP	-5.7	-4.3	-3.8	-2.0
Government expenditure	% of GDP	42.6	43.3	43.8	42.4
Government revenue	% of GDP	36.9	39.0	40.0	40.4
Government debt	(million PLN)	422 386	462 742	505 149	527 520
	% of GDP	45.7	47.1	47.6	45.2
<b>Portugal</b>					
GDP mp	(million euro)	144 128	149 124	155 278	162 919
Government deficit (-) / surplus (+)	(million euro)	-4 844	-9 096	-6 030	-4 257
	% 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	42.4	43.1
Government debt	(million euro)	84 033	94 792	100 522	103 552
	% 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
<b>Romania</b>					
GDP mp	(million RON)	246 469	288 176	344 536	404 709
Government deficit (-) / surplus (+)	(million RON)	-3 015	-3 544	-7 646	-9 993
	% of GDP	-1.2	-1.2	-2.2	-2.5
Government expenditure	% of GDP	33.6	33.5	35.3	36.9
Government revenue	% of GDP	32.4	32.3	33.1	34.4
Government debt	(million RON)	46 357	45 626	42 583	52 411
	% of GDP	18.8	15.8	12.4	13.0
<b>Slovenia</b>					
GDP mp	(million euro)	26 677	28 243	30 448	33 542
Government deficit (-) / surplus (+)	(million euro)	-601	-412	-377	-24
	% of GDP	-2.3	-1.5	-1.2	-0.1
Government expenditure	% of GDP	46.5	46.0	45.3	43.3
Government revenue	% of GDP	44.2	44.5	44.1	43.2
Government debt	(million euro)	7 356	7 755	8 289	8 071
	% of GDP	27.6	27.5	27.2	24.1
<b>Slovakia</b>					
GDP mp	(million SKK)	1 361 683	1 485 301	1 659 573	1 851 787
Government deficit (-) / surplus (+)	(million SKK)	-32 129	-41 628	-59 944	-40 023
	% of GDP	-2.4	-2.8	-3.6	-2.2
Government expenditure	% of GDP	37.8	38.1	37.2	36.9
Government revenue	% of GDP	35.4	35.3	33.5	34.7
Government debt	(million SKK)	564 151	507 525	505 199	543 851
	% of GDP	41.4	34.2	30.4	29.4
<b>Finland</b>					
GDP mp	(million euro)	152 345	157 335	167 041	178 759
Government deficit (-) / surplus (+)	(million euro)	3 625	4 501	6 875	9 511
	% of GDP	2.4	2.9	4.1	5.3
Government expenditure	% of GDP	50.2	50.4	48.9	47.5
Government revenue	% of GDP	52.4	53.1	52.9	52.7
Government debt	(million euro)	67 242	65 053	65 536	63 196
	% of GDP	44.1	41.3	39.2	35.4
<b>Sweden</b>					
GDP mp	(million SEK)	2 624 964	2 735 218	2 899 653	3 073 832
Government deficit (-) / surplus (+)	(million SEK)	20 562	60 812	66 961	106 086
	% of GDP	0.8	2.2	2.3	3.5
Government expenditure	% of GDP	55.6	55.2	54.3	52.6
Government revenue	% of GDP	56.1	57.2	56.5	56.0
Government debt	(million SEK)	1 344 621	1 392 833	1 331 062	1 246 670
	% of GDP	51.2	50.9	45.9	40.6
<b>United Kingdom*</b>					
GDP mp	(million GBP)	1 206 659	1 257 112	1 329 029	1 412 565
Government deficit (-) / surplus (+)	(million GBP)	-41 015	-43 150	-33 933	-40 410
	% of GDP	-3.4	-3.4	-2.6	-2.9
Government expenditure	% of GDP	42.6	44.0	43.9	43.7
Government revenue	% of GDP	39.2	40.7	41.4	40.9
Government debt	(million GBP)	487 860	529 367	573 339	618 824
	% of GDP	40.4	42.1	43.1	43.8
<i>Financial year (fy)</i>					
<i>GDP mp fy</i>	<i>(million GBP)</i>	<i>1 157 557</i>	<i>1 218 260</i>	<i>1 273 237</i>	<i>1 350 992</i>
<i>Government deficit (-) / surplus (+) fy</i>	<i>(million GBP)</i>	<i>-37 415</i>	<i>-42 671</i>	<i>-39 295</i>	<i>-35 030</i>
	<i>% of GDP</i>	<i>-3.2</i>	<i>-3.5</i>	<i>-3.1</i>	<i>-2.6</i>
<i>Government debt fy</i>	<i>(million GBP)</i>	<i>446 347</i>	<i>483 806</i>	<i>531 480</i>	<i>574 303</i>
	<i>% of GDP</i>	<i>38.6</i>	<i>39.7</i>	<i>41.7</i>	<i>42.5</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 October 2007 and April 2008 notifications

Below are shown country specific explanations for the largest revisions in deficit and debt for 2004-2006 between the October 2007 and April 2008 notifications, as well as in GDP and in deficit and debt ratios (see table below).

#### Deficit

**Bulgaria:** The decrease in the surplus for 2004-2006 is due to the elimination of other accounts receivable relating to taxes, resulting from a change in the method of recording (to a cash method), in line with Eurostat advice, as well as to accounting, as expenditure, cancellations of debt towards third countries.

**Czech Republic:** The decrease in the deficit for 2006 is mainly due to a revision of income taxes.

**Denmark:** The increase in the surplus for the years 2005-2006 is mainly due to revised data for corporate and personal income tax revenue, as well as to revisions of intermediate consumption and investment for year 2006.

**Estonia:** The decrease in the surplus for 2004-2006 is due to the reclassification of a real estate company (Riigi Kinnisvara), hospitals, and a number of foundations at the level of local government, in line with Eurostat advice.

**Ireland:** The increase in the surplus for 2005 relates to a decrease of the valuation of the Nursing Homes payment obligation of government.

**Italy:** The decrease in the deficit for 2006 is mainly due to a methodological change, in line with Eurostat advice, relating to a change in the time of recording of a VAT reimbursement by the Italian government in application of a court ruling (accounted as a "other capital transfer").

**Luxembourg:** The increase in the surplus for 2006 is due to updates in data sources, notably in local government.

**Malta:** The decrease in the deficit for 2004 is due to the availability of updated source data relating to one extra budgetary unit.

**Austria:** The increase in the deficit for 2004 of 2.6% of GDP is due to a reclassification of a debt write-off/assumption in connection with the reorganisation of the Austrian railways ÖBB.

**Romania:** The increase in the deficit for 2006 is due to new information on debt cancellation against third countries, partially compensated by the positive impact of revisions in some other government transactions. The decrease in the deficit for 2004 and 2005 is due to revisions relating to some specific government transactions.

**Finland:** The increase in the surplus for 2004-2006 is mainly due to the revision of the property income from mutual funds.

#### Debt

**Czech Republic:** The decrease in the debt for 2005 and 2006 is due to updated information on the valuation of foreign currency debt.

**Latvia:** The increase in the debt for 2004 is due to updated data sources on currency and deposits liabilities.

#### GDP

The GDP notified in April 2008 for EDP purposes was revised by a few Member States compared to that notified in October 2007 for the reporting period 2004-2006, most notably by **Sweden**. 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 2007 to the April 2008 notifications

		Deficit/surplus*			Debt		
		2004	2005	2006	2004	2005	2006
Belgium	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>
	- 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	-0.1	0.0	-0.1	0.0
Bulgaria	<b>Revision in deficit/surplus and debt ratios</b>	<b>-0.9</b>	<b>-0.2</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>
	- due to revision of deficit/surplus or debt	-0.8	-0.2	-0.2	0.0	0.0	0.0
	- due to revision of GDP	-0.1	0.0	0.0	0.0	0.0	-0.1
Czech Republic	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.2</b>	<b>0.0</b>	<b>-0.5</b>	<b>-0.7</b>
	- due to revision of deficit/surplus or debt	0.0	0.0	0.3	0.0	-0.5	-0.7
	- due to revision of GDP	0.0	-0.1	-0.1	0.0	0.0	0.0
Denmark	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.4</b>	<b>0.2</b>	<b>-0.2</b>	<b>0.1</b>	<b>0.1</b>
	- due to revision of deficit/surplus or debt	0.0	0.4	0.2	0.0	0.0	0.1
	- due to revision of GDP	0.0	0.0	0.0	-0.2	0.1	0.0
Germany	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>
	- 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	0.1
Estonia	<b>Revision in deficit/surplus and debt ratios</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-0.2</b>	<b>0.0</b>	<b>0.1</b>	<b>0.2</b>
	- due to revision of deficit/surplus or debt	-0.2	-0.2	-0.2	0.1	0.1	0.2
	- due to revision of GDP	0.0	0.1	0.0	-0.1	0.0	0.0
Ireland	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.1</b>	<b>0.4</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- due to revision of deficit/surplus or debt	0.0	0.4	0.1	0.0	0.0	0.0
	- due to revision of GDP	0.1	0.0	0.0	0.0	0.0	0.0
Greece	<b>Revision in deficit/surplus and debt ratios</b>	<b>-0.1</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- 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	0.1	0.0	0.0	0.0	0.0
Spain	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- 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	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>-0.3</b>	<b>-0.6</b>
	- due to revision of deficit/surplus or debt	0.0	0.0	0.2	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.0	-0.1	0.0	-0.3	-0.6
Italy	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>	<b>-0.4</b>	<b>-0.3</b>
	- due to revision of deficit/surplus or debt	0.0	-0.1	1.1	0.1	0.0	0.0
	- due to revision of GDP	0.0	0.1	-0.1	-0.1	-0.4	-0.3
Cyprus	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.4</b>
	- 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	-0.4
Latvia	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.4</b>	<b>-0.1</b>	<b>0.1</b>
	- due to revision of deficit/surplus or debt	0.0	0.0	0.1	0.4	-0.1	0.0
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.1
Lithuania	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- 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
Luxembourg	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>	<b>-0.1</b>	<b>-0.1</b>	<b>0.0</b>
	- due to revision of deficit/surplus or debt	0.0	0.0	0.6	-0.1	-0.1	-0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.1
Hungary	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- 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

\* 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 2007 to the April 2008 notifications

		Deficit/surplus*			Debt		
		2004	2005	2006	2004	2005	2006
<b>Malta</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.3</b>	<b>0.1</b>	<b>-0.1</b>	<b>-0.1</b>	<b>-0.4</b>	<b>-0.5</b>
	- due to revision of deficit/surplus or debt	0.2	0.1	0.0	0.0	0.0	0.0
	- due to revision of GDP	0.1	0.0	-0.1	-0.1	-0.4	-0.5
<b>Netherlands</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- 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
<b>Austria</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>-2.5</b>	<b>0.1</b>	<b>-0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>
	- due to revision of deficit/surplus or debt	-2.6	0.1	-0.1	0.1	0.1	0.2
	- due to revision of GDP	0.1	0.0	0.0	-0.1	0.0	-0.1
<b>Poland</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- 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
<b>Portugal</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>-0.1</b>
	- 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	-0.1	-0.1
<b>Romania</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.3</b>	<b>0.2</b>	<b>-0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- due to revision of deficit/surplus or debt	0.3	0.1	-0.4	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.1	0.1	0.0	0.0	0.0
<b>Slovenia</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>
	- due to revision of deficit/surplus or debt	0.0	0.0	0.0	0.0	0.1	0.1
	- due to revision of GDP	0.0	0.0	0.0	0.0	0.0	0.0
<b>Slovakia</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
	- 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
<b>Finland</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>
	- due to revision of deficit/surplus or debt	0.1	0.1	0.3	0.0	0.0	0.0
	- due to revision of GDP	0.0	0.1	0.0	0.0	-0.1	0.0
<b>Sweden</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-1.2</b>	<b>-1.3</b>	<b>-1.1</b>
	- due to revision of deficit/surplus or debt	0.0	-0.1	-0.1	0.0	0.0	0.0
	- due to revision of GDP	0.0	-0.1	-0.1	-1.2	-1.3	-1.1
<b>United Kingdom</b>	<b>Revision in deficit/surplus and debt ratios</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>
	- due to revision of deficit/surplus or debt	0.0	-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	-0.1

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