

Compendium

Statistics for European purposes

How the EU uses national accounts data in the calculation of gross national income, used to set the EU budget and member contributions.

Contact:
Bob Richards
bob.richards@ons.gov.uk
+44 (0) 1633 456424

Release date:
30 October 2020

Next release:
To be announced

Table of contents

1. [Introduction](#)
2. [UK transactions with the institutions of the EU](#)
3. [Data to monitor government deficit and debt](#)

1 . Introduction

The EU uses UK National Accounts data for a number of administrative and economic purposes. Gross national income (GNI) is one of the four measures used by the EU and is calculated in accordance with the European System of Accounts (ESA). GNI is used to set the EU budget and to calculate part of member states' contributions to the EU budget and is based on the European System of Accounts 2010: ESA 2010.

2 . UK transactions with the institutions of the EU

Table 11.a shows payments flowing between the EU and the UK. The first part of the table shows the payments flowing into the UK in the form of EU expenditure. The second part of the table shows the UK contribution to the EU budget, which depends on UK GNI. An explanatory article detailing the UK [contribution to the EU budget](#) was published on 30 September 2019.

3 . Data to monitor government deficit and debt

The convergence criteria for the Economic and Monetary Union (EMU) are set out in the 1992 Treaty on European Union (The Maastricht Treaty). The treaty, plus the Stability and Growth Pact, require member states to avoid excessive government deficits – defined as general government net borrowing and gross debt as a percentage of gross domestic product (GDP). The treaty does not determine what constitutes “excessive”. This is agreed by the Economic and Finance Council (ECOFIN).

Member states report their planned and actual deficits and the levels of their debt to the European Commission. Data to monitor excessive deficits are supplied in accordance with EU legislation.

The UK submitted the estimates in Table 11.a to the European Commission in September 2020.

Table 11.a: UK government debt and deficit, 2012 to 2019

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| General government deficit | | | | | | | | |
| Net borrowing (£bn) | 139.2 | 98.0 | 103.1 | 87.3 | 65.4 | 50.1 | 48.2 | 51.2 |
| as percentage of GDP | 8.1 | 5.5 | 5.5 | 4.5 | 3.3 | 2.4 | 2.2 | 2.3 |
| General government debt | | | | | | | | |
| Debt at nominal value (£bn) | 1,423.5 | 1,498.3 | 1,603.3 | 1,664.7 | 1,730.9 | 1,785.6 | 1,837.1 | 1,891.1 |
| as percentage of GDP | 83.2 | 84.2 | 86.1 | 86.7 | 86.8 | 86.3 | 85.8 | 85.4 |

Source: Office for National Statistics