

Compendium

Statistics for international purposes

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

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1 . Overview of statistics for international purposes

Data comparability between countries is crucial for administrative and economic purposes. The UK provides data to a range of international organisations, including the International Monetary Fund (IMF) and the Organisation for Economic Co-operation and Development (OECD).

The EU also uses UK National Accounts data. 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. It is based on [ESA 2010](#).

The following sections outline how the EU uses our data.

2 . UK transactions with the institutions of the EU

Table 1 shows payments that flowed between the EU and the UK before the UK left the EU. The first part of the table shows the payments that flowed into the UK in the form of EU expenditure. The second part of the table shows the UK contribution to the EU budget, which depended on UK gross national income (GNI).

Our [explanatory article detailing the UK contribution to the EU budget](#) was published on 30 September 2019. Our [dataset on gross national income](#) with usage notes was published on 9 December 2021. This explained differences between the UK GNI as published in the annual national accounts and the UK GNI used to calculate UK budget payments to the EU, known as GNI for EU own resource purposes (GNI OR). From Blue Book 2022, the content of the 9 December 2021 publication has been incorporated in [Section 4: Calculation of UK GNI for UK own resource: 2010 to 2020](#).

Under the EU withdrawal agreement, the UK continues to make payments towards the EU budget for years up to 2020. Contributions are still to be finalised for the years 2010 to 2020, for both the UK and the EU member states (MS). This may mean additional payment flows between the UK and EU after 2020.

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 and 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. While the UK is no longer in the EU, data on UK government debt and deficit are still compiled and are consistent with previous releases.

Table1. Estimates of UK government debt and deficit, September 2026

General Government deficit	2018	2019	2020	2021	2022	2023	2024	2025
Deficit (£bn)	48.8	52.5	274.8	173.4	115.9	168.9	172.3	162.7
as % GDP²	2.2	2.3	12.9	7.5	4.5	6.1	6.0	5.4
General Government debt								
Debt¹ (£bn)	1,860.5	1,914.5	2,228.5	2,402.2	2,514.1	2,718.8	2,885.9	3,106.4
as % GDP²	85.7	85.0	104.9	103.4	97.4	98.8	99.9	102.4

Source: UK government debt and deficit from the Office for National Statistics

Notes

1. Debt is recorded as at the end of December each calendar year.
2. Gross domestic product (GDP).

4 . Calculation of UK Gross National Income for EU own resource: 2010 to 2020

The [Agreement on the withdrawal of the UK from the European Union \(EU\)](#) sets out, among other things, the UK's contribution to, and participation in, the EU budget. Article 136 states that "the applicable Union law concerning the Union's own resources relating to financial years until 2020 shall continue to apply to the UK after 31 December 2020, including where the own resources concerned are to be made available, corrected or subject to adjustments after that date".

The UK pays budget contributions to the EU for the years up to 2020. Contributions are still to be finalised for the years 2010 to 2020, for both the UK and the EU member states (MS).

The gross national income (GNI) estimates, on which a large part of calculating budget payments is based, are produced for the UK by the Office for National Statistics (ONS) and published in the Blue Book. The calculation of GNI in both the UK and the MS is subject to verification by the European Commission's statistical arm, Eurostat. If Eurostat finds an issue relating to the calculation of GNI, it can place a reservation on a country's national accounts. This means that improvements to data sources, methods, or both may need to be implemented.

The UK was subject to 23 reservations placed in 2019; 18 issues were specific to the UK and five transversal issues applied to both the UK and all MS. Many MS also had a large number of country-specific reservations, because of a major verification of sources and methods following the adoption of a new accounting framework in 2014 (the [European System of Accounting \(ESA\) 2010](#)).

The years 2010 to 2020, which are still open for recalculating EU budget payments are now "time-barred", except for revisions related to reservations. The GNI data we release in the annual national accounts often include routine revisions to methods and source data that affect the UK-published GNI estimates. These routine revisions must be excluded from GNI data notified to Eurostat, known as GNI for Own Resource purposes (GNI OR), in the years that have become "time-barred". This is a standard practice that also applies to all MS.

A further difference between published GNI and GNI OR applies to the years 2010 to 2013, when GNI OR is based on the previous international standard (the ESA 1995 accounting framework). There is a standard list of major changes between the ESA 1995 and ESA 2010 frameworks. This is used to estimate the impact of differences in definitions between them.

Eurostat publishes UK and MS GNI for own resource estimates (currently only 2025-consistent data are available). Worksheet 11.2 in our [accompanying dataset \(XLSX, 3.4MB\)](#) shows the differences between the UK GNI OR and the UK-published GNI estimates. It is produced for Eurostat each time the UK annual national accounts are updated.

In March 2025, the last of the 23 UK reservations placed in 2019 was lifted by the European Commission. While this means that UK GNI OR is now finalised for the years 2010 to 2017, budget payments for those years may still change somewhat. A small number of MS have outstanding reservations still being addressed for those years. The budget contributions are calculated on comparative share of EU GNI so are not settled until GNI for all countries is finalised.

EU budget contributions for the years 2018 to 2020 remain under scrutiny for all countries. General UK GNI compilation methods were approved by Eurostat in the latest verification cycle (confirmed in November 2024). Consequently, no additional country-specific reservations have been placed for those years. However, the EU is mandating two important improvements to methods that apply to all countries from 2018 onwards. These are treatment of non-resident VAT traders; and recognising households' own account production of electricity.

Transversal reservations have been placed on all countries to implement these improvements by the end of 2026. As with previous reservations, the UK must implement these improvements (if deemed necessary) under the terms of the EU withdrawal agreement.

Earlier this year, the European Commission lifted the transversal reservation on treatment of non-registered Value Added Tax (VAT) traders for the UK, without requiring a revision to the UK accounts. This was because we were able to show that the likely impact of the method change was immaterial (that is, less than 0.1% of GNI). However, the change related to the transversal reservation on household own account production of electricity has been applied in the accounts for 2026. This gives a small increase in the level of UK GNI OR.

Table 11.2 has been updated to show this change. It also separately shows the impact of several methods changes applied in production of the 2025 data release that are not permitted to affect GNI OR but have changed published GNI for the UK. These include implementation of Annual Survey of Goods and Services (ASGS) data, improvements to measurement of actual and imputed rentals, and changes to align national accounts data with public sector finances.

We will continue to update Worksheet 11.2 in future years, until all reservations are lifted. This may show further divergence between published and own resources versions of GNI.

5 . Cite this chapter

Office for National Statistics (ONS), released 30 October 2026, ONS website, compendium chapter, [Statistics for international purposes, UK National Accounts, The Blue Book: 2026](#)