



Department  
for Environment  
Food & Rural Affairs

23 May 2013

## Environmental Protection Expenditure by Industry, 2011

### Headline Messages

- Total spending by UK business in 2011 on environmental protection expenditure was estimated at £3,001 million
- Operational expenditure totalled £2,422 million and capital expenditure £317 million, with research and development accounting for £262 million
- The leading spending industries were energy production and distribution (21%) and food and drink (11%)
- Spending per employee was highest in the in the coke and refined petrol sector and energy production and distribution. Relative shares of total spending by environmental media were solid waste (32 per cent), waste water (24 per cent), air (17 per cent), nature protection (15 per cent), all other (5 per cent), soil and groundwater (4 per cent) and noise (1 per cent)

### Background Information

Defra's Environmental Protection Expenditure by Industry survey is an annual survey of United Kingdom businesses in the extraction, manufacturing and energy and water supply sectors. Environmental protection expenditure is spending incurred by the company where the primary aim is to reduce environmental pollution caused during operations. The survey provides information on operational and capital expenditure, as well as by type of environmental medium to which the spending relates (e.g. air, waste water, solid waste). Operational spending includes both internal and external costs. Capital spending covers both integrated processes and end-of-pipe investments.

Table A shows Environmental Protection Expenditure from 2009 to 2011 broken down into the two types of expenditure (Operational Expenditure and Capital Expenditure) and research and development. Table B shows this breakdown by industry group categorised according to the Standard Industrial Classification (SIC).

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**Results Tables**

Table A: Environmental and Protection Expenditure 2009 to 2011

	<b>2009</b>		<b>2010</b>		<b>2011</b>	
	£ million	%	£ million	%	£ million	%
Operational Expenditure						
- internal	1,449	37	894	31	942	31
- external	840	21	1,123	39	1,480	49
Capital Expenditure						
- integrated	534	14	481	17	91	3
- end of pipe	973	25	190	7	226	8
Research and development	124	3	182	6	262	9
<b>Total</b>	<b>3,920</b>	<b>100</b>	<b>2,869</b>	<b>100</b>	<b>3,001</b>	<b>100</b>

Table B: Operational and Capital Expenditure by Industry 2011, £ million

<b>SIC Code</b>	<b>Industry</b>	<b>Operational Expenditure</b>	<b>Capital Expenditure</b>	<b>R&amp;D</b>	<b>Total</b>
05-09	Mining & Quarrying	179	86	1	265
10-12	Food, Beverages and Tobacco Products	320	18	4	342
19	Coke and Refined Petroleum	66	20	1	87
20-21	Chemicals and Pharmaceuticals	255	52	1	308
24-25	Basic and Fabricated Metals	227	49	21	296
27 & 28	Machinery and Electrical Equipment	138	6	207	351
35	Energy Production and Distribution	632	0	1	633
36	Water Supply and Treatment	41	2	4	47
13-15, 16,17,18, 22-23, 26,29-33	Other Manufacturing <sup>1</sup>	593	74	23	690
<b>Total</b>		<b>2,422</b>	<b>317</b>	<b>262</b>	<b>3,001</b>

Notes: 1. Expenditures for sectors in 'Other Manufacturing' are estimated, please see the [Methodological Note](#) which accompanies this statistics release.

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## Additional data

Additional documents are available to download from the following web page:  
<https://www.gov.uk/government/organisations/department-for-environment-food-rural-affairs/series/environmental-protection-and-expenditure-epe-survey>

This page contains:

1. The Environmental Protection Expenditure by Industry: 2011 UK Survey Report
2. Table 1: Environmental Protection Expenditure per employee 2011 and as a percent of turnover for each SIC. This table is intended to provide a standardised way for individual companies to compare themselves with the average for a sector
3. Table 2: Environmental protection expenditure split into operating and capital expenditure by environmental media by broad industry category from 2003 to 2011

## Next scheduled release

May 2014 to include data for 2012.

## Notes

1. The survey is intended to meet the requirements of the EU Structural Business Statistics Regulation 58/97.
2. The survey methodology for 2011 differed from the survey for 2010 as it only collected data from a selection of industries and therefore data for SICs 13-15,16,17,18,22-23,29-33 are estimated. The methodology for this estimation can be found in the separate [Methodological Note](#).
3. As the survey results can fluctuate noticeably from year to year due to the low level of response (typically around 20-30 per cent) and because of changes in survey methodology, absolute comparisons with earlier years should be treated with caution.
4. Whilst the survey has not been subject to National Statistics assessment standards, it has been conducted and analysed in line with the [Code of Practice for Official Statistics](#).

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