

STATISTICAL RELEASE

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Environmental Protection Expenditure by Industry 2010

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.

Key Results

- Total spending by UK business in 2010 was estimated at £2,869 million.
- Operational expenditure totalled £2,017 million and capital expenditure £671 million, with research and development accounting for £182 million (Table A).
- The leading spending industries were water supply (18%) and food and drink (17%) (Table B).
- Spending per employee was highest in the in the coke and refined petrol sector and water supply. Companies in the water supply sector also spent the largest proportion of their turnover on EPE. See [Table 1](#) for a detailed breakdown.
- Relative shares of total spending by environmental media were solid waste (35 per cent), waste water (23 per cent), and all other (14.5 per cent), air (14 per cent), soil/ground water (10 per cent) and nature protection (4 per cent). See [Table 2](#) for a detailed breakdown.

Table A: Environmental Protection Expenditure 2008 to 2010

	2008		2009		2010	
	£ million	%	£ million	%	£ million	%
Operational Expenditure						
- internal	835	19	1,449	37	894	31
- external	1,316	31	840	21	1123	39
Capital Expenditure						
- integrated	1,256	29	534	14	481	17
- end of pipe	712	17	973	25	190	7
Research and development	180	4	124	3	182	6
Total	4,300	100	3,920	100	2,869	100

Department for Environment, Food and Rural Affairs
 Nobel House, 17 Smith Square, London, SW1P 3JR

Public enquiries: 08459 335577 enviro.statistics@defra.gsi.gov.uk ~ Press enquiries: 020 7238 6146
 Lead Statistician: Louise Rawlings

Website: www.defra.gov.uk/statistics/environment/

Table B: Operational and Capital Expenditure by Industry 2010, £ million

SIC 2007	Industry	Operational Expenditure	Capital Expenditure
05-09	Mining & Quarrying	118	22
10-12	Food, Beverages and Tobacco	409	57
13 -15	Textiles, Clothing and Leather	36	1
19	Coke and Refined Petroleum	151	1
20-21	Chemicals and Pharmaceuticals	203	35
24-25	Basic and Fabricated Metals	217	23
27-28	Machinery and Electrical Equipment	94	33
29-30	Transport Equipment	106	14
35	Energy Production and Distribution	102	147
36	Water Supply and Treatment	204	234
16-18, 22-23, 26,31-33	Other manufacturing sectors	375	104
Total		2017	671

Additional data

The Environmental Protection by Industry 2010 Report is available to download from: www.defra.gov.uk/statistics/environment/environmental-survey/survey-results/

The results webpage provides the following two tables:

Table 1 EPE per employee 2010 shows environmental protection expenditure per employee and as a percent of turnover. This table is intended to provide a standardised way for individual companies to compare themselves with the average for a sector.

Table 2 Environmental protection expenditure split into operating and capital expenditure by environmental media by broad industry category from 2003 to 2010.

Next scheduled release

June 2013 to include 2011 data.

Notes for Editors

1. The survey is intended to meet the requirement of the EU Structural Business Statistics Regulation 58/97.
2. The survey methodology for 2010 differed from earlier years in that it covered all the relevant sectors rather than just the major spending industries.
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 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, the analysis has been conducted in line with the [Code of Practice for Official Statistics](#).