



Department  
for Environment  
Food & Rural Affairs

3 June 2014

## Environmental Protection Expenditure by Industry, 2012

### Headline Messages

- Total spending by UK business in 2012 on environmental protection expenditure was estimated at £3,159 million
- Operational expenditure totalled £2,492 million and capital expenditure £517 million, with research and development accounting for £150 million
- The leading spending industries were energy production and distribution (18%) and food and drink (13%)
- Spending per employee was highest in the in the water supply and treatment sector and energy production and distribution.
- Relative shares of total spending by environmental media were waste water (32 per cent), solid waste (28 per cent), air (13 per cent), all other (10 per cent), nature protection (9 per cent), soil and groundwater (6 per cent) and noise (3 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 2010 to 2012 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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**Enquiries on this publication to:** Adele Storr, Environment Statistics, Department for Environment, Food and Rural Affairs, Room 201, Foss House, Kings Pool, 1-2 Peasholme Green, York YO1 7PX

Public enquiries: 01904 455251 Press enquiries: 020 7238 5498

Public enquiries & user feedback: [enviro.statistics@defra.gsi.gov.uk](mailto:enviro.statistics@defra.gsi.gov.uk)

Website: <https://www.gov.uk/government/organisations/department-for-environment-food-rural-affairs/about/statistics>

## Results Tables

Table A: Environmental and Protection Expenditure 2010 to 2012

	2010		2011		2012	
	£ million	%	£ million	%	£ million	%
Operational Expenditure						
- internal	894	31	942	31	997	32
- external	1,123	39	1,480	49	1,495	47
Capital Expenditure						
- integrated	481	17	91	3	337	11
- end of pipe	190	7	226	8	180	6
Research and development	182	6	262	9	150	5
<b>Total</b>	<b>2,869</b>	<b>100</b>	<b>3,001</b>	<b>100</b>	<b>3,159</b>	<b>100</b>

Table B: Operational and Capital Expenditure by Industry 2012, £ million

SIC Code	Industry	Operational Expenditure	Capital Expenditure	R&D	Total
05-09	Mining & Quarrying	195	40	1	237
10-12	Food, Beverages and Tobacco Products	339	48	2	389
19	Coke and Refined Petroleum	26	11	0	37
20-21	Chemicals and Pharmaceuticals	274	81	2	356
24-25	Basic and Fabricated Metals	303	21	3	327
27 & 28	Machinery and Electrical Equipment	125	36	131	292
35	Energy Production and Distribution	543	151	2	695
36	Water Supply and Treatment	34	26	4	64
13-15, 16,17,18, 22-23, 26,29-33	Other Manufacturing <sup>1</sup>	652	103	6	761
<b>Total</b>		<b>2,492</b>	<b>517</b>	<b>150</b>	<b>3,159</b>

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

## 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: 2012 UK Survey Report
2. Table 1: Environmental Protection Expenditure per employee 2012 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 2012.

## Next scheduled release

May 2015 to include data for 2013.

## Notes

1. The survey is intended to meet the requirements of the EU Structural Business Statistics Regulation 58/97.
2. The survey methodology for 2012 is identical to the survey for 2011 in that 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.

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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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