



Department
for Environment
Food & Rural Affairs

21 May 2015

Environmental Protection Expenditure by Industry, 2013

Headline Messages

- Total spending by UK business in 2013 on environmental protection expenditure was estimated at £3,490 million
- Operational expenditure totalled £2,580 million and capital expenditure some £730 million, with research and development accounting for about £180 million
- The leading spending industries were energy production and distribution (24 per cent) and food and drink (13 per cent)
- Spending per employee was highest in the coke and refined petroleum sector, followed by the water supply and treatment sector
- Relative shares of total spending by environmental media were waste water (32 per cent), solid waste (30 per cent), air (16 per cent), all other (9 per cent), soil (7 per cent), nature (4 per cent) and noise (2 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 2013 broken down into the two types of expenditure (Operational Expenditure and Capital Expenditure) and research and development. Table B shows 2013 data, broken down by industry group categorised according to the Standard Industrial Classification (SIC).

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

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

Results Tables

Table A: Environmental and Protection Expenditure 2011 to 2013 (UK)

	2011		2012		2013	
	£ million	%	£ million	%	£ million	%
Operational Expenditure						
- in-house ¹	942	31	997	32	843	24
- external ²	1,480	49	1,495	47	1,737	50
Capital Expenditure						
- integrated ³	91	3	337	11	503	14
- end of pipe ⁴	226	8	180	6	229	7
Research and development	262	9	150	5	179	5
Total	3,001	100	3,159	100	3,490	100

Table B: Operational and Capital Expenditure by Industry 2013, £ million (UK)

SIC Code	Industry	Operational Expenditure	Capital Expenditure	R&D	Total
05-09	Mining & Quarrying	220	67	0	287
10-12	Food, Beverages and Tobacco Products	352	93	2	448
19	Coke and Refined Petroleum	89	49	0	138
20-21	Chemicals and Pharmaceuticals	317	108	5	429
24-25	Basic and Fabricated Metals	223	78	21	322
27 & 28	Machinery and Electrical Equipment	125	47	119	290
35	Energy Production and Distribution	411	123	3	537
36	Water Supply and Treatment	213	72	3	288
13-15, 16,17,18, 22-23, 26,29-33	Other Manufacturing ⁵	631	95	26	751
Total⁶		2,580	732	179	3,490

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- Notes:**
1. **In house Operational Expenditure** includes all expenditure for environmental protection except purchases of environmental protection services from external organisations.
 2. **External Operational expenditure** is costs paid to external organisations for the treatment, disposal or investigation of various wastes.
 3. **Integrated Capital Expenditure** is expenditure, which has a beneficial effect on the environment, relates to new/modified production facilities, which have been designed with environmental protection integrated into the process. For example Equipment & plant linked to cleaner technology.
 4. **'End of pipe' Capital Expenditure** is defined as capital expenditure for methods, technologies, processes or equipment designed to collect, remove pollution and pollutants after their creation, prevent the spread of and measure pollution, and treat and dispose of pollutants generated by the operating activity of the company. It includes both equipment & installation expenditure (examples are primary pollution control devices and project definition, design and planning)
 5. Expenditures for sectors in 'Other Manufacturing' are estimated, please see the Methodological Note which accompanies this statistics release.
 6. Due to rounding, totals may not agree with the sum of the individual items.

For further details on the types of Operational and Capital Expenditure, please see the technical Note:

www.gov.uk/government/uploads/system/uploads/attachment_data/file/355358/2013_Tech_Guidance_Note_final_2.pdf

Additional data

Additional documents are available to download from the following web page:

[Environmental Protection Expenditure \(EPE\) survey 2013 - Publications - GOV.UK](#)

This page contains:

1. The Environmental Protection Expenditure by Industry: 2013 UK Survey Report
2. Table 1: Environmental Protection Expenditure per employee 2013 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 2013.

Next scheduled release

To be confirmed – please await announcement.

Notes

1. The survey is intended to meet the requirements of the EU Structural Business Statistics Regulation 58/97, Environmental Protection Expenditure and Revenues 691/2011 and Environmental Goods and Services Sector 691/2011

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2. The survey methodology for 2013 is identical to the survey for 2012 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.
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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