

Press Release

14 December 2021

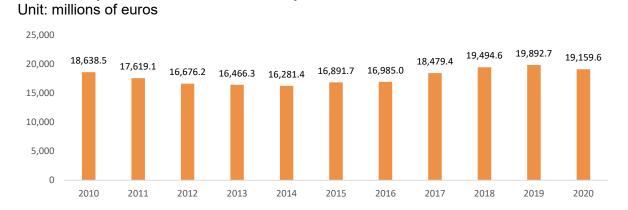
# Environmental Accounts: Environmental Protection Expenditure Account Year 2020

# The National Expenditure on Environmental Protection decreased by 3.7% in 2020 and represented 1.71% of GDP.

# Corporations accounted for 48.1% of the total expenditure, Public Administrations for 35.5% and Households for 16.4%.

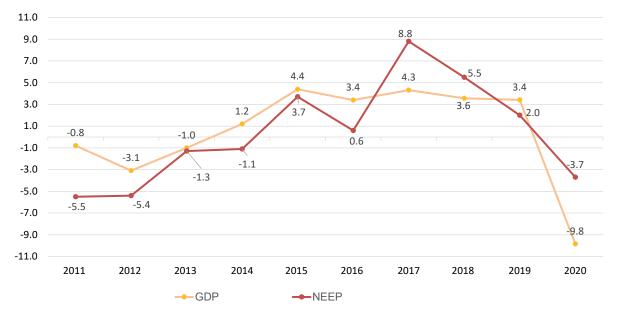
# National Expenditure on Environmental Protection

The National Expenditure on Environmental Protection (GNPA) reached 19,159.6 million euros in 2020, which represented 1.71% of the Gross Domestic Product (GDP), or 11 hundredths more than in 2019.



### National expenditure on environmental protection

Compared to the previous year, the NEEP registered a decrease of 3.7%, which was 6.1 points less than the GDP. This expense had been growing for five years.



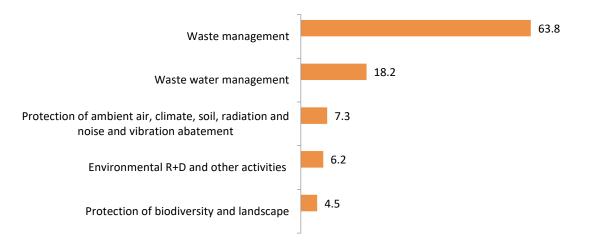
#### Annual change in GDP and in National Expenditure on Environmental Protection

## National Expenditure on Environmental Protection by area

The areas with the greatest weight in the NEEP in 2020 were *Waste management services* (63.8% of total expenditure) and *Wastewater management services* (18.2%).

On the other hand, those that had the lowest weight were *Biodiversity and Landscape Protection* (4.5%) and *Environmental R&D and other activities* (6.2%).

#### NEEP by areas (percentage). Year 2020



The greatest decreases in spending compared to the previous year occurred in the services of *Protection of Air, Climate and Soil; Radiation, Noise and Vibration Reduction* (–12.4%) and *Wastewater management* (–4.2%).

# National Expenditure by Environmental Protection area. Year 2020

Unit: millions of euros

	Total	% annual variation	Impact	% GDP
TOTAL	19,160	-3.7		1.71
Waste management	12,222	-3.5	-2.205	1.09
Waste water management	3,486	-4.2	-0.757	0.31
Protection of ambient air, climate, soil, radiation and noise and vibration abatement	1,394	-12.4	-0.904	0.12
Environmental R+D and other activities	1,196	3.7	0.232	0.11
Protection of biodiversity and landscape	861	1.2	0.052	0.08

The areas that contributed the most to the decline of the NEEP in 2020 were the services of *Waste Management* (–2,205 points) and those of *Protection of Air, Climate and Soil; Radiation, Noise and Vibration Reduction* (–0.904).

## National Expenditure on Environmental Protection by institutional sector

The *Corporations* sector accounted for 48.1% of total expenditure in 2020. More specifically, this sector spent 9,201 million euros, 6.8% less than the previous year.

The expenditure of the *Public Administrations and NPISHs* sector represented 35.5% of the total. It reached 6,808 million, an amount similar to that of 2019.

On the other hand, *Household* expenditure decreased by 2.0% up to 3,151 million, representing 16.4% of the total.

National Expenditure on Environmental Protection by institutional sector. Year 2020 Unit: millions of euros

	Total	% annual variation	% of the total	Impact
TOTAL	19,160	-3.7	100.0	
Corporations	9,201	-6.8	48.1	-3.271
General Government and NPISH	6,808	0.0	35.5	0.000
Households	3,151	-2.0	16.4	-0.328

The Corporate sector contributed the most to the decline in the NEEP, with a negative contribution of 3.271 points, followed by the Household sector, with -0.328 points. For its part, the *Public Administrations and NPISHs* showed zero variation compared to the previous year.

#### National expenditure components by institutional sector

The main national expenditure categories in 2020 were final consumption (46.6% of the total), intermediate consumption (40.1%) and gross fixed capital formation (13.6%).

The *Public Administrations and NPISHs* sector accounted for 64.7% of final consumption expenditure, whilst the *Households* sector accounted for the remaining 35.3%.

On the other hand, the *Corporations* sector generated 54.5% of the gross fixed capital formation, whilst the *Public Administrations and NPISHs* sector generated 45.5%.

#### National expenditure components. Year 2020

Unit: millions of euros

	Total economy	General Government and NPISH	Corporations	Households
NEEP	19,160	6,808	9,201	3,151
Intermediate consumption <sup>1</sup>	7,851	-	7,851	-
Gross fixed capital formation	2,603	1,184	1,419	-
Final consumption expenditure	8,920	5,769	-	3,151
EP transfers to / from Rest of the World <sup>2</sup>	-215	-145	-70	

<sup>1</sup> Intermediate consumption does not include environmental protection services by specialized producers of such services. 2 Net transfers register the balance of transfers paid by the economy to the rest of the world minus those received from the rest of the world.

#### **Data Review and Update**

The data published today is provisional in nature and will be revised when next year's data is released. The results are available at INEBase.

# Methodological note

Press Release

The objective of the Environmental Accounts (EA) is to integrate environmental information into the central system of National Accounts in a coherent way. They include a set of satellite accounts, which are transmitted annually, compiled using the accounting formats applicable to the different sectoral and territorial areas, with a strong use of physical data. They show the interaction between the economy, households and environmental factors.

The Environmental Protection Expenditure Account (EPEA) presents data on economic resources dedicated by resident units to Environmental Protection (EP). The account's main objective is to calculate the aggregate National Expenditure on Environmental Protection (NEEP).

This account can be used to construct indicators in key areas, expenditure on the prevention and reduction of contamination, contribution of EP activities to the economy, change to the use of technologies that prevent contamination. In addition, by linking EP expenditure to data in physical terms it is possible to carry out specific analyses, with the amount of treated waste, the expansion of protected areas and the number of patents for EP products.

For more information the methodology can be accessed at: <u>https://www.ine.es/dyngs/INEbase/es/operacion.htm?c=Estadistica\_C&cid=1254736177048</u> <u>&menu=metodologia&idp=1254735976603</u>

The standardized methodological report is at: <a href="https://www.ine.es/dynt3/metadatos/es/RespuestaDatos.html?oe=30088">https://www.ine.es/dynt3/metadatos/es/RespuestaDatos.html?oe=30088</a>

INE statistics are produced in accordance with the Code of Good Practice for European Statistics, which is the basis for the institution's quality policy and strategy. For more information see the section <u>Quality at INE and the Code of Best Practices</u> on the INE website.

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