

PEAT

(Data in thousand metric tons unless otherwise noted)¹

Domestic Production and Use: The estimated f.o.b. plant value of marketable peat production in the conterminous United States was \$17.0 million in 2009. Peat was harvested and processed by about 37 companies in 14 of the conterminous States. The Alaska Department of Commerce, Office of Minerals Development, which conducted its own canvass of producers, reported 64,100 cubic meters of peat was produced in 2008; output was reported only by volume.² A production estimate was unavailable for Alaska for 2009. Florida, Minnesota, and Maine were the leading producing States, in order of quantity harvested. Reed-sedge peat accounted for approximately 81% of the total volume produced, followed by sphagnum moss, 9%, hypnum moss, 6%, and humus, 4%. More than 92% of domestic peat was sold for horticultural use, including general soil improvement, golf course construction, nurseries, and potting soils. Other applications included earthworm culture medium, mixed fertilizers, mushroom culture, packing for flowers and plants, seed inoculants, and vegetable cultivation. In the industrial sector, peat was used as an oil absorbent and as an efficient filtration medium for the removal of waterborne contaminants in mine waste streams, municipal storm drainage, and septic systems.

<u>Salient Statistics—United States:</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009^e</u>
Production	685	551	635	615	610
Commercial sales	751	734	694	648	641
Imports for consumption	891	924	977	936	980
Exports	36	41	56	^e 56	80
Consumption, apparent ³	1,600	1,500	1,590	1,440	1,532
Price, average value, f.o.b. mine, dollars per ton	27.76	27.34	25.59	26.42	26.50
Stocks, producer, yearend	195	128	98	152	130
Employment, mine and plant, number ^e	700	650	625	620	610
Net import reliance ⁴ as a percentage of apparent consumption	57	63	60	57	60

Recycling: None.

Import Sources (2005-08): Canada, 97%; and other, 3%.

<u>Tariff:</u>	<u>Item</u>	<u>Number</u>	<u>Normal Trade Relations</u>
			<u>12-31-09</u>
	Peat	2703.00.0000	Free.

Depletion Allowance: 5% (Domestic).

Government Stockpile: None.

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Events, Trends, and Issues: Peat is an important component of growing media, and the demand for peat generally follows that of horticultural applications. In the United States, the short-term outlook is for production to average about 600,000 tons per year and imported peat from Canada to account for more than 60% of domestic consumption.

Peatland restoration is growing in importance in Europe and North America. The British Government is intending to eliminate peat used in horticulture applications, which includes using peat as a soil improver or growing media. However, other countries such as Russia and Ukraine are proposing to use additional peat as a fuel source.

World Mine Production and Reserves: Countries that reported by volume only and had insufficient data for conversion to tons were combined and included with "Other countries."

	Mine production		Reserves ⁵
	2008	2009 ^e	
United States	615	610	150,000
Belarus	2,600	2,600	400,000
Canada	1,150	1,250	720,000
Estonia	920	900	60,000
Finland	9,100	9,100	6,000,000
Ireland	4,300	4,300	(⁶)
Latvia	1,000	1,000	76,000
Lithuania	322	325	190,000
Moldova	475	475	(⁶)
Russia	1,300	1,300	1,000,000
Sweden	1,280	1,200	(⁶)
Ukraine	400	400	(⁶)
Other countries	<u>1,520</u>	<u>1,530</u>	<u>1,400,000</u>
World total (rounded)	25,000	25,000	10,000,000

World Resources: Peat is a renewable resource, continuing to accumulate on 60% of global peatlands. However, the volume of global peatlands has been decreasing at a rate of 0.05% annually owing to harvesting and land development. Many countries evaluate peat resources based on volume or area because the variations in densities and thickness of peat deposits make it difficult to estimate tonnage. Volume data have been converted using the average bulk density of peat produced in that country. Reserves data were estimated based on data from International Peat Society publications and the percentage of peat resources available for peat extraction. More than 50% of the U.S. reserve base is contained in peatlands in undisturbed areas of Alaska. Total world resources of peat were estimated to be between 5 trillion to 6 trillion tons, covering about 400 million hectares.⁷

Substitutes: Natural organic materials such as composted yard waste and coir (coconut fiber) compete with peat in horticultural applications. Shredded paper and straw are used to hold moisture for some grass-seeding applications. The superior water-holding capacity and physiochemical properties of peat limit substitution alternatives.

^eEstimated.

¹See Appendix A for conversion to short tons.

²Harbo, L.A., Alaska Office of Economic Development, oral commun., 2009.

³Defined as production + imports – exports + adjustments for industry stock changes.

⁴Defined as imports – exports + adjustments for Government and industry stock changes.

⁵See Appendix C for definitions. Reserve base estimates were discontinued in 2009; see Introduction.

⁶Included with "Other countries."

⁷Lappalainen, Eino, 1996, Global peat resources: Jyvaskyla, Finland, International Peat Society, p. 55.