

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 \$18 million in 2005. Peat was harvested and processed by about 52 companies in 15 of the conterminous States. The Alaska Department of Commerce, Office of Minerals Development, which conducted its own canvass of producers, reported that 159,000 cubic meters of peat was produced in 2004; output was reported only by volume.² A production estimate for 2005 was unavailable for Alaska. Florida, Michigan, and Minnesota were the leading producing States, in order of quantity harvested. Reed-sedge peat accounted for approximately 86% of the total volume produced, followed by hypnum moss 6%, and humus and sphagnum moss, each with 4%. More than 85% of domestic peat was sold for horticultural use, including general soil improvement, potting soils, earthworm culture, nurseries, and golf course construction. Other applications included seed inoculants, vegetable cultivation, mushroom culture, mixed fertilizers, and packing for flowers and plants. In the industrial sector, peat was used as 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>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005^e</u>
Production	736	642	634	696	690
Commercial sales	820	728	632	741	827
Imports for consumption	776	763	767	786	850
Exports	31	32	29	29	30
Consumption, apparent ³	1,500	1,420	1,400	1,380	1,540
Price, average value, f.o.b. mine, dollars per ton	25.75	28.85	29.74	28.64	29.00
Stocks, producer, yearend	257	207	180	251	225
Employment, mine and plant, number ^e	800	750	700	700	700
Net import reliance ⁴ as a percentage of apparent consumption	47	55	55	50	55

Recycling: None.

Import Sources (2001-04): Canada, 99%; and other, 1%.

<u>Tariff: Item</u>	<u>Number</u>	<u>Normal Trade Relations</u>
Peat	2703.00.0000	<u>12-31-05</u> Free.

Depletion Allowance: 5% (Domestic).

Government Stockpile: None.

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Events, Trends, and Issues: Consumption, imports, and sales of peat were estimated to have increased in 2005. Most domestic peat is used in bulk for potting soil and general soil improvement.

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 steady to slightly lower production and imported peat from Canada accounting for a greater percentage of domestic consumption.

World Mine Production, Reserves, and Reserve Base: Reserve and reserve base data have been revised to exclude deposits located in agricultural areas, forests, parks, and other protected regions; in Mineral Commodity Summaries 2005, the reserve and reserve base included such deposits. 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	Reserve base ⁵
	2004	2005 ^e		
United States	696	690	150,000	10,000,000
Belarus	1,900	1,800	400,000	4,000,000
Canada	1,180	1,350	720,000	30,000,000
Estonia	1,000	1,000	60,000	2,000,000
Finland	7,620	7,600	6,000,000	6,400,000
Germany	2,500	850	(⁶)	(⁶)
Ireland	5,600	5,600	(⁶)	(⁶)
Latvia	1,000	1,000	76,000	1,300,000
Lithuania	380	400	190,000	300,000
Moldova	475	475	(⁶)	(⁶)
Russia	2,100	2,100	1,000,000	60,000,000
Sweden	890	1,000	(⁶)	(⁶)
Ukraine	1,000	1,000	(⁶)	(⁶)
Other countries	1,200	1,200	1,400,000	6,000,000
World total (rounded)	27,600	26,000	10,000,000	120,000,000

World Resources: Peat is a renewable resource, continuing to accumulate on 60% of global peatlands. However, the volume of global peatlands has 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 county. Reserve and reserve base data were revised using data from International Peat Society publications and were estimated based on the percentage of peat resources available for peat extraction. More than 50% of the U.S. reserve base is contained in peatlands located 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 is 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.

²Alaska Department of Commerce, Community & Economic Development Office of Economic Development, unpub. data, October 28, 2005.

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

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

⁵See Appendix C for definitions.

⁶Included with "Other countries."

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