

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 2008. Peat was harvested and processed by about 38 companies in 14 of the conterminous States. The Alaska Department of Commerce, Office of Minerals Development, which conducted its own canvass of producers, reported 51,000 cubic meters of peat was produced in 2007; output was reported only by volume.² A production estimate was unavailable for Alaska for 2008. Florida, New York, Minnesota, and Michigan were the leading producing States, in order of quantity harvested. Reed-sedge peat accounted for approximately 82% of the total volume produced, followed by sphagnum moss, 8%, humus, 7%, and hypnum moss, 3%. More than 94% 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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008^e</u>
Production	696	685	551	635	650
Commercial sales	741	751	734	694	700
Imports for consumption	786	891	924	977	995
Exports	29	36	41	56	79
Consumption, apparent ³	1,380	1,600	1,500	1,590	1,560
Price, average value, f.o.b. mine, dollars per ton	28.64	27.76	27.34	25.59	26.10
Stocks, producer, yearend	251	195	128	98	100
Employment, mine and plant, number ^e	700	700	650	625	620
Net import reliance ⁴ as a percentage of apparent consumption	50	57	63	60	58

Recycling: None.

Import Sources (2004-07): Canada, 98%; and other, 2%.

<u>Tariff: Item</u>	<u>Number</u>	<u>Normal Trade Relations</u>
Peat	2703.00.0000	<u>12-31-08</u> 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.

The Canadian Spagnum Peat Moss Association was concerned with the level of harvest for the 2008 season. Abnormal and persistently wet conditions throughout all Canadian peat harvest regions have affected the ability of the industry to harvest expected volumes (about a 20% decrease in harvest and inventory in comparison with those of the past 5 years). The area most affected was Eastern Canada, with New Brunswick and Quebec accounting for about 66% of Canada's peat production.

World Mine Production, Reserves, and Reserve Base: 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
	2007	2008 ^e		
United States	635	650	150,000	10,000,000
Belarus	2,500	2,500	400,000	4,000,000
Canada	1,250	1,000	720,000	30,000,000
Estonia	1,900	2,000	60,000	2,000,000
Finland	9,100	9,100	6,000,000	6,400,000
Ireland	4,300	4,300	(⁶)	(⁶)
Latvia	1,000	1,000	76,000	1,300,000
Lithuania	307	300	190,000	300,000
Moldova	475	475	(⁶)	(⁶)
Russia	1,300	1,300	1,000,000	60,000,000
Sweden	1,280	1,300	(⁶)	(⁶)
Ukraine	395	400	(⁶)	(⁶)
Other countries	<u>1,260</u>	<u>1,300</u>	<u>1,400,000</u>	<u>6,000,000</u>
World total (rounded)	25,700	25,600	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 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. Reserve and reserve base 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 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 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.

²Szumigala, D.J., and Hughes, R.A., 2008, Alaska's mineral industry 2007—A summary: Alaska Department of Natural Resources Information Circular 57, p. 15.

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: Jyvaskyla, Finland, International Peat Society, p. 55.