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 \$19.1 million in 2007. Peat was harvested and processed by about 40 companies in 15 of the conterminous States. The Alaska Department of Commerce, Office of Minerals Development, which conducted its own canvass of producers, reported 42,000 cubic meters of peat was produced in 2006; output was reported only by volume. A production estimate was unavailable for Alaska for 2007. Florida, Michigan, and Minnesota were the leading producing States, in order of quantity harvested. Reed-sedge peat accounted for approximately 85% of the total volume produced, followed by sphagnum moss, 7%, humus, 6%, and hypnum moss, 2%. More than 87% 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 oil absorbent and as an efficient filtration medium for the removal of waterborne contaminants in mine waste streams, municipal storm drainage, and septic systems.

Salient Statistics—United States:	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	2007 ^e
Production	634	696	685	551	615
Commercial sales	632	741	751	734	747
Imports for consumption	767	786	891	924	980
Exports	29	29	36	41	55
Consumption, apparent ³	1,400	1,380	1,600	1,500	1,540
Price, average value, f.o.b. mine, dollars per ton	29.74	28.64	27.76	27.34	25.57
Stocks, producer, yearend	180	251	195	128	125
Employment, mine and plant, number ^e	700	700	700	650	625
Net import reliance⁴ as a percentage of					
apparent consumption	55	50	57	63	60

Recycling: None.

Import Sources (2003-06): Canada, 98%; and other, 2%.

 Tariff:
 Item
 Number
 Normal Trade Relations

 Peat
 2703.00.0000
 Free.

Depletion Allowance: 5% (Domestic).

Government Stockpile: None.

PEAT

<u>Events, Trends, and Issues</u>: 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.

<u>World Mine Production, Reserves, and Reserve Base</u>: Countries that reported by volume only and had insufficient data for conversion to tons were combined and included with "Other countries."

	Mine pr	Mine production		Reserve base ⁵	
	<u>2006</u> .	2007 ^e			
United States	551	615	150,000	10,000,000	
Belarus	2,500	2,500	400,000	4,000,000	
Canada	1,245	1,250	720,000	30,000,000	
Estonia	1,100	1,100	60,000	2,000,000	
Finland	9,100	9,000	6,000,000	6,400,000	
Ireland	4,300	4,500	(⁶)	(⁶)	
Latvia	650	650	76,000	1,300,000	
Lithuania	550	550	190,000	300,000	
Moldova	475	475	(⁶)	(⁶)	
Russia	1,500	1,500	1,000,000	60,000,000	
Sweden	1,370	1,300	$\binom{6}{2}$	$\binom{6}{2}$	
Ukraine	1,000	1,000	(6)	(⁶)	
Other countries	<u>1,460</u>	<u>1,450</u>	1,400,000	6,000,000	
World total (rounded)	25,800	25,900	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 county. 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

<u>Substitutes</u>: 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., 2007, Alaska's mineral industry 2006—A summary: Alaska Department of Natural Resources Information Circular 54. p. 20.

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.