

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 \$21.9 million in 2006. 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 60,000 cubic meters of peat was produced in 2005; output was reported only by volume.² A production estimate was unavailable for Alaska for 2006. 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>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006^e</u>
Production	642	634	696	685	618
Commercial sales	728	632	741	751	721
Imports for consumption	763	767	786	891	930
Exports	32	29	29	36	35
Consumption, apparent ³	1,420	1,400	1,380	1,600	1,510
Price, average value, f.o.b. mine, dollars per ton	28.85	29.74	28.64	27.76	30.31
Stocks, producer, yearend	207	180	251	195	200
Employment, mine and plant, number ^e	750	700	700	700	700
Net import reliance ⁴ as a percentage of apparent consumption	55	55	50	57	59

Recycling: None.

Import Sources (2002-05): Canada, 99%; and other, 1%.

<u>Tariff: Item</u>	<u>Number</u>	<u>Normal Trade Relations</u>
Peat	2703.00.0000	<u>12-31-06</u> Free.

Depletion Allowance: 5% (Domestic).

Government Stockpile: None.

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Events, Trends, and Issues: Peat production was estimated to have decreased in 2006 because of lower production in Florida. 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.

Peat production in Europe was higher in 2006 owing to a warm, dry summer that allowed for a longer peat harvesting season.

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
	2005	2006 ^e		
United States	685	618	150,000	10,000,000
Belarus	1,900	2,300	400,000	4,000,000
Canada	1,330	1,400	720,000	30,000,000
Estonia	800	800	60,000	2,000,000
Finland	9,100	9,000	6,000,000	6,400,000
Ireland	5,400	5,500	(⁶)	(⁶)
Latvia	800	700	76,000	1,300,000
Lithuania	370	425	190,000	300,000
Moldova	475	475	(⁶)	(⁶)
Russia	2,100	2,100	1,000,000	60,000,000
Sweden	930	1,000	(⁶)	(⁶)
Ukraine	1,000	1,000	(⁶)	(⁶)
Other countries	<u>1,530</u>	<u>1,700</u>	<u>1,400,000</u>	<u>6,000,000</u>
World total (rounded)	26,400	27,000	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 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 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.

²Szumigala, D.J., and Hughes, R.A., 2006, Alaska's mineral industry 2005—A summary: Alaska Department of Natural Resources Information Circular 52, 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.