

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 about \$18.8 million in 2002. Peat was harvested and processed by about 60 producers in 16 of the conterminous States; several other producers in Alaska were canvassed independently by the Alaska Department of Natural Resources. Florida, Michigan, and Minnesota were the largest producing States, in order of quantity produced. Reed-sedge peat accounted for 78% of the total volume produced, followed by sphagnum moss, 10%, hypnum moss, 7%, and humus, 5%. More than 95% of domestic peat was sold for horticultural use, including general soil improvement, potting soils, earthworm culture, nursery business, and golf course maintenance and 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 an oil absorbent and as an efficient filtration medium for the removal of waterborne contaminants in mine waste streams and municipal storm drainage.

Salient Statistics—United States:	1998	1999	2000	2001	2002^e
Production	685	731	792	870	760
Commercial sales	791	834	847	998	940
Imports for consumption	761	752	786	776	800
Exports	30	40	37	31	34
Consumption, apparent ²	1,430	1,580	1,530	1,640	1,540
Price, average value, f.o.b. mine, dollars per ton	24.26	26.48	26.85	24.82	24.60
Stocks, producer, yearend	408	272	279	257	275
Employment, mine and plant, number ^e	800	800	800	800	800
Net import reliance ³ as a percentage of apparent consumption	52	54	48	47	50

Recycling: None.

Import Sources (1998-2001): Canada, 99%; and other, 1%.

Tariff: Item	Number	Normal Trade Relations 12/31/02
Peat	2703.00.0000	Free.

Depletion Allowance: 5% (Domestic).

Government Stockpile: None.

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Events, Trends, and Issues: Development of new horticultural peat operations or expansion of existing operations has become increasingly difficult in the United States. Numerous Federal, State, and local wetlands protection regulations apply to permitting, harvesting, and reclamation of peat bogs and often overlap. The cost of compliance and the time required to obtain the proper permits have led some smaller companies to stop harvesting peat.

Domestic peat demand is anticipated to continue to grow at a steady rate for the near future, with Canadian peat accounting for a greater percentage of apparent consumption. Soil blending companies that import peat from Canada stand to benefit from growing demand for high-quality sphagnum moss. The outlook for domestic peat producers will be governed by several variables, chiefly, the ability to permit new bogs, the level of Canadian competition, and competition from composted yard wastes.

World Mine Production, Reserves, and Reserve Base:

	Mine production		Reserves⁴	Reserve base⁴
	2001	2002^e		
United States	870	760	15,000	6,400,000
Belarus	2,100	2,100	(5)	(5)
Canada	1,187	1,200	22,000	30,000,000
Estonia	800	800	(5)	(5)
Finland	6,500	5,500	64,000	3,000,000
Germany	4,250	4,000	42,000	450,000
Ireland	5,500	5,500	160,000	820,000
Latvia	400	500	(5)	(5)
Lithuania	280	300	(5)	(5)
Moldova	475	475	(5)	(5)
Russia	2,100	2,000	(5)	(5)
Sweden	1,100	1,000	(5)	(5)
Ukraine	1,000	1,000	(5)	(5)
United Kingdom	500	500	(5)	(5)
Other countries	660	630	4,900,000	160,000,000
World total (rounded)	27,900	26,500	5,200,000	200,000,000

World Resources: U.S. resources of peat were estimated at more than 110 billion tons, with more than 50% located in undisturbed areas of Alaska. World resources of peat were estimated to be 2 trillion tons, of which the former Soviet Union⁶ has about 770 billion tons and Canada about 510 billion tons.

Substitutes: Natural organic materials may be composted and compete in certain 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.

²Defined as production + imports - exports + adjustments for industry stocks.

³Defined as imports - exports + adjustments for Government and industry stock changes.

⁴See Appendix C for definitions.

⁵Included with "Other countries."

⁶As constituted before December 1991.