



Peat Industry 2020–2050

A significant industrial change is under way in the peat industry. The use of peat as energy is rapidly declining but, at the same time, the demand for peat-based growing media and value added peat based products is increasing. Peat industry's value added is growing rapidly and this development is just beginning. As recently as a few years ago, the share of energy peat of all the peat produced by Vapo Group was more than 90 percent. In the coming production period, the share of non-energy peat will already be three quarters.

The Covid19 crisis has shown us that the importance of locally produced food cannot be underestimated. Consumers want food that is produced locally and safely. This increasing demand cannot be met by any means other than efficient and sustainable growing media in local greenhouses and conducted by the professional growing business. Professional greenhouse growing volumes are greatly increasing all over the world. In Europe alone, the market for growing media substrates is expected to double by 2050.

New materials are constantly being developed for the growing media market but, because the market growth is so rapid and the limited availability of alternatives, the demand simply cannot be met without peat. As a result of new materials and growing methods, the relative share of peat in growing media will naturally decrease in the coming decades, but the volume of peat used in growing media is likely to increase significantly.

Consumers are currently determining the direction of the market and will continue to do so. For this reason, the peat industry and the growing media industry in general must listen carefully to the market. It goes without saying that only a sustainable and responsible approach will safeguard the future of the industry. Peat must be produced sustainably, growing media processing and logistics must be carried out while minimising emissions and the carbon footprint of the sector must be made clear to consumers. Highlighting the industry's net positive impacts is of equal importance.

The location of production areas and, in particular, the after-use of production areas must be carried out so that biodiversity is not jeopardised. Well-planned and implemented forms of after-use, such as forestation, restoration and the creation of wetlands, guarantee that we, as an industry, are improving the biodiversity of our environment.

Horticulture - professional greenhouse growing, consumers and landscapers - will certainly be the principal form of use for peat in the coming decades, but the time for additional new applications is already here. Peat is a highly diverse raw material with many new purposes. Vapo/Novactor's first activated carbon production facility will use peat as its raw material. This activated carbon will be used, for example, for purifying water and air, and the carbon footprint of peat-based activated carbon is only one-third that of activated carbon made from coal. This is an excellent example of how new products made from peat can improve the state of our living environment.

We are constantly carrying out new research and product development and, in future seminars, we will hopefully be able to tell you about new innovative value added application of peat, both in animal care as well as sustainable farming.