

Prospects for the peat industry in the context of an ambitious climate policy

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Estonian Peat Association, Merilin Kalmaru

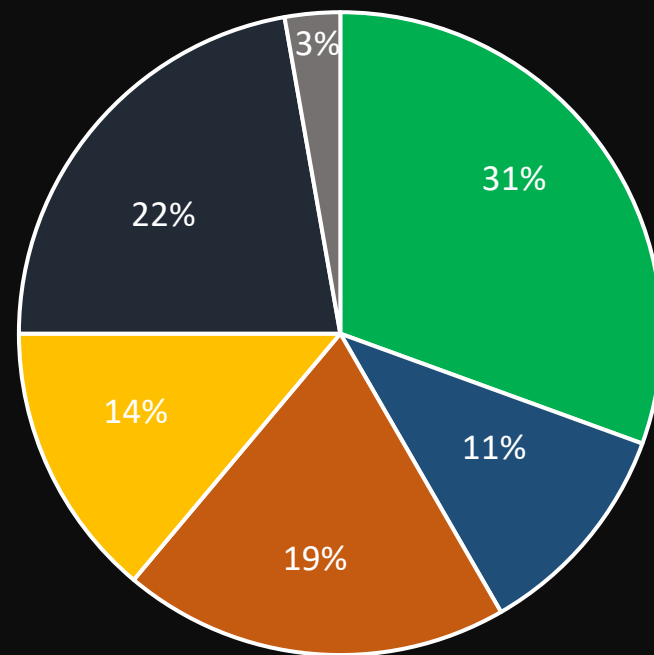
In focus

Government

- Peat policy for Estonia
- Climate law



Factors that have significantly affected companies in recent years



Green transition and climate policy

Labor shortage

Pressure to reduce the amount of peat in products

Tax increase

Changes at the market (client preferences)

Some other aspect

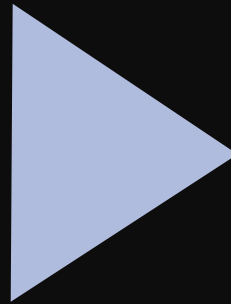
What are the prospects for the peat Industry?

Roughly there are 3 options

Peat production is banned
in EU because of the
climate reasons

The volumes are cut down
and there are no new
licenses coming

The sector is continuing -
there is a change in minds
and understanding



Close the doors/change the
whole business/move
outside EU

Start to use raw material as
sustainable as possible and
recycle it (gaining time)

Working towards the goals,
marketing, development,
science – never giving up!

We should use all the possible tools to reach the goal – giving up is not part of the solution!

Green tools are also tools, the more layers we have the more chance there is to win the game.

Tools (National level)

- Current position (environmental, social, economical)
 - Country specific studies
 - High level calculations (Tier 3) based on best available data
 - Site-specific accounting
 - Taking into account restored areas
 - Secondary land use (renewable energy projects)
 - Off-set projects
 - Compensation mechanisms
-



Tools (EU level)

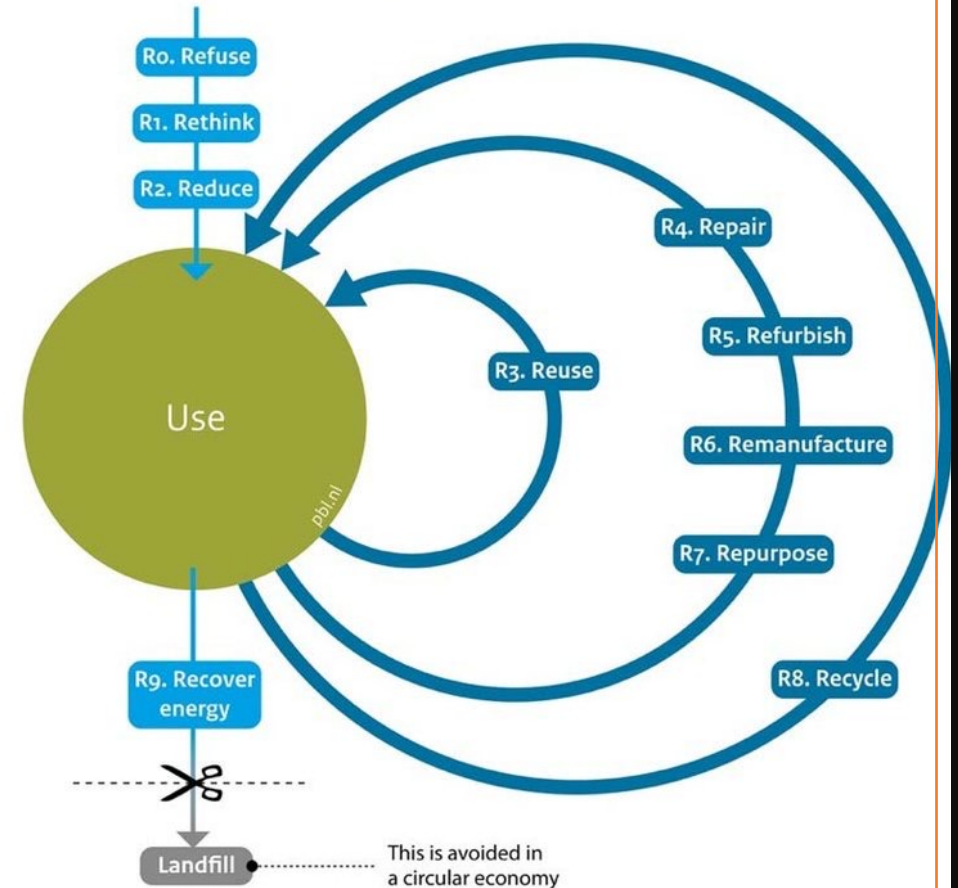
- Extended supply chain studies (EU) taking into account environmental, social and economic aspects
 - Ensuring EU independent food security in Europe and guarantee important supply chain for the production
 - Analyzing different emission factors with their pros and cons, comparing emission factors on the global level
 - Moving the emissions to their actual location and influencing the market
-



Tools (Industry level)

- Product LCA analysis and product development
- Corporate emission calculations and improvement
- Moving towards circularity and sustainable material use
- Innovative technologies and investments
- Product development and added value
- Off-set projects (selling and buying)
- Secondary land use
- Scientific studies

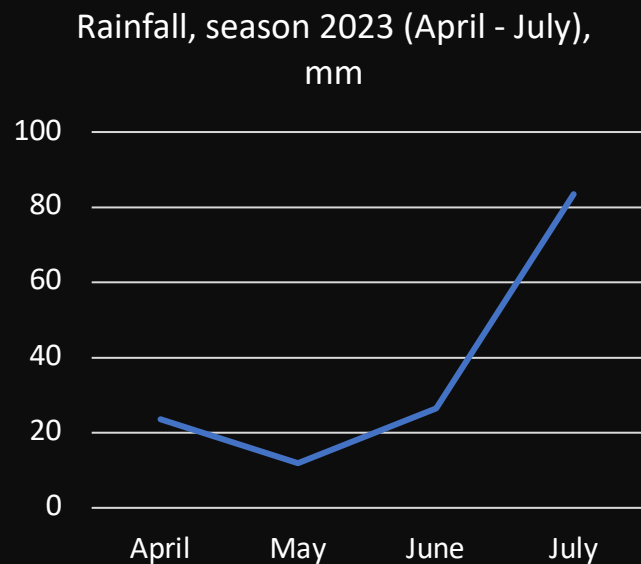
Circular economy: more than recycling



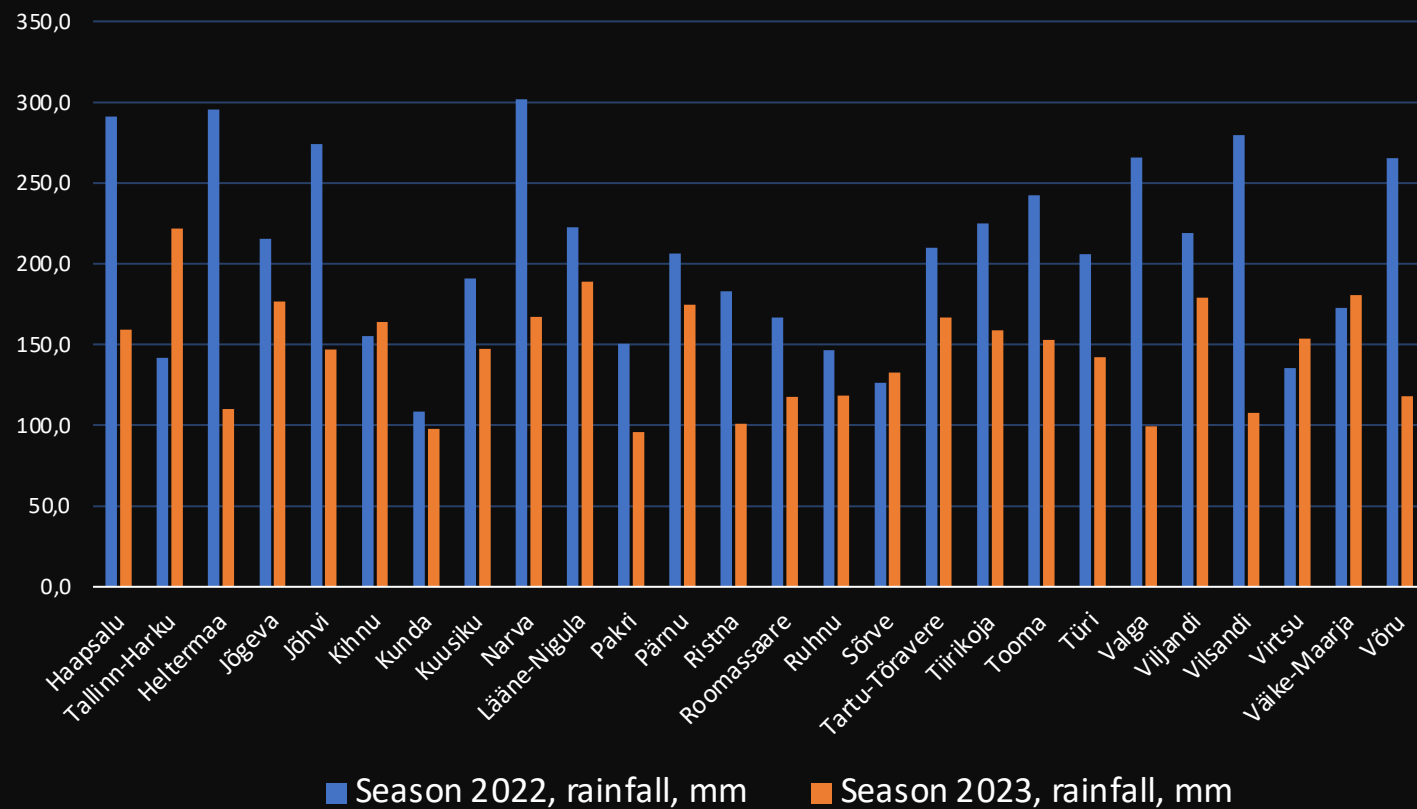
Researchgate.net, 08.2023

And now the statistics!

Season 2023



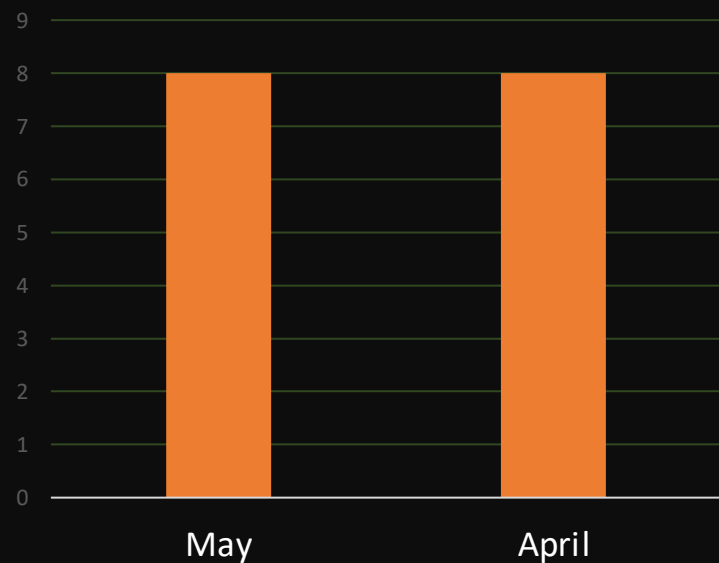
Rainfall, season 2022 vs 2023



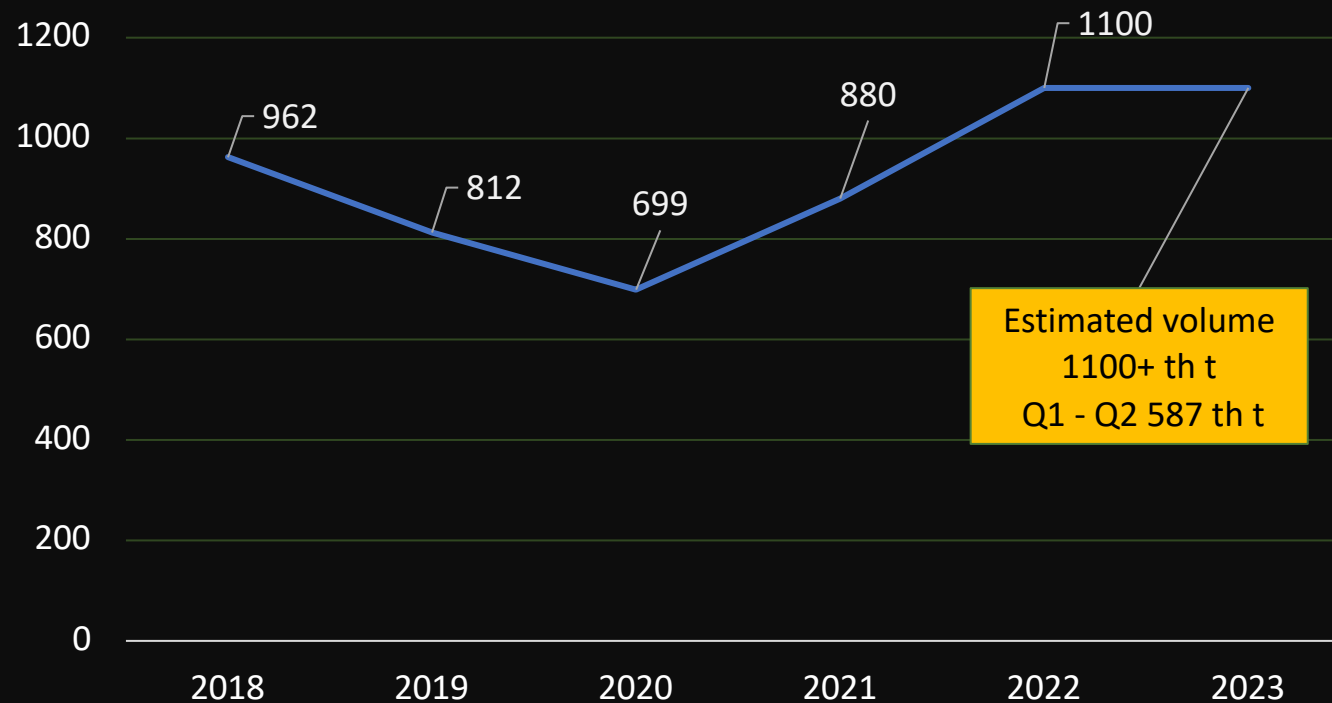
Average rainfall 146 mm, 67% form the norm

Season 2023

Season kickoff 2023

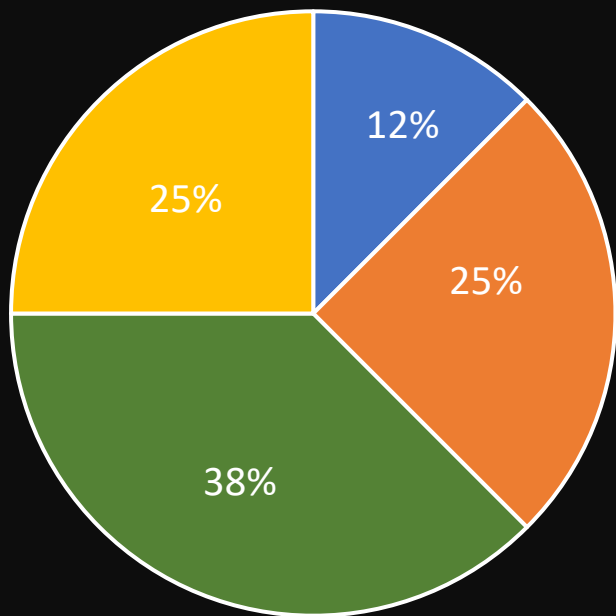


Peat production in Estonia, 2018 - 2023, thousand t



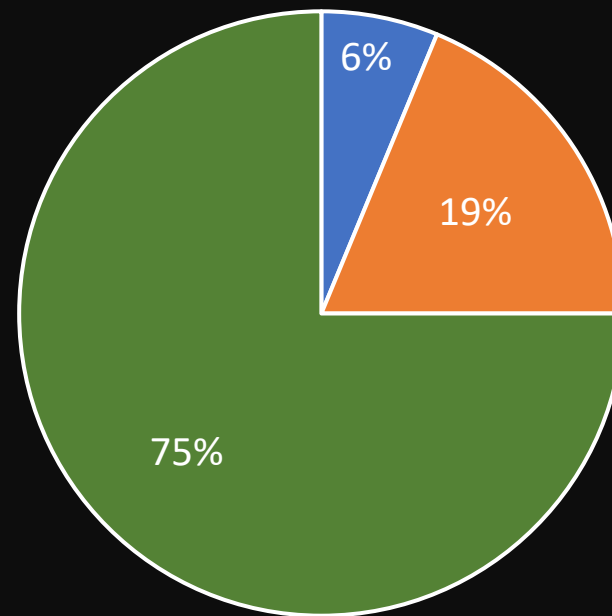
Season 2023

Sales numbers



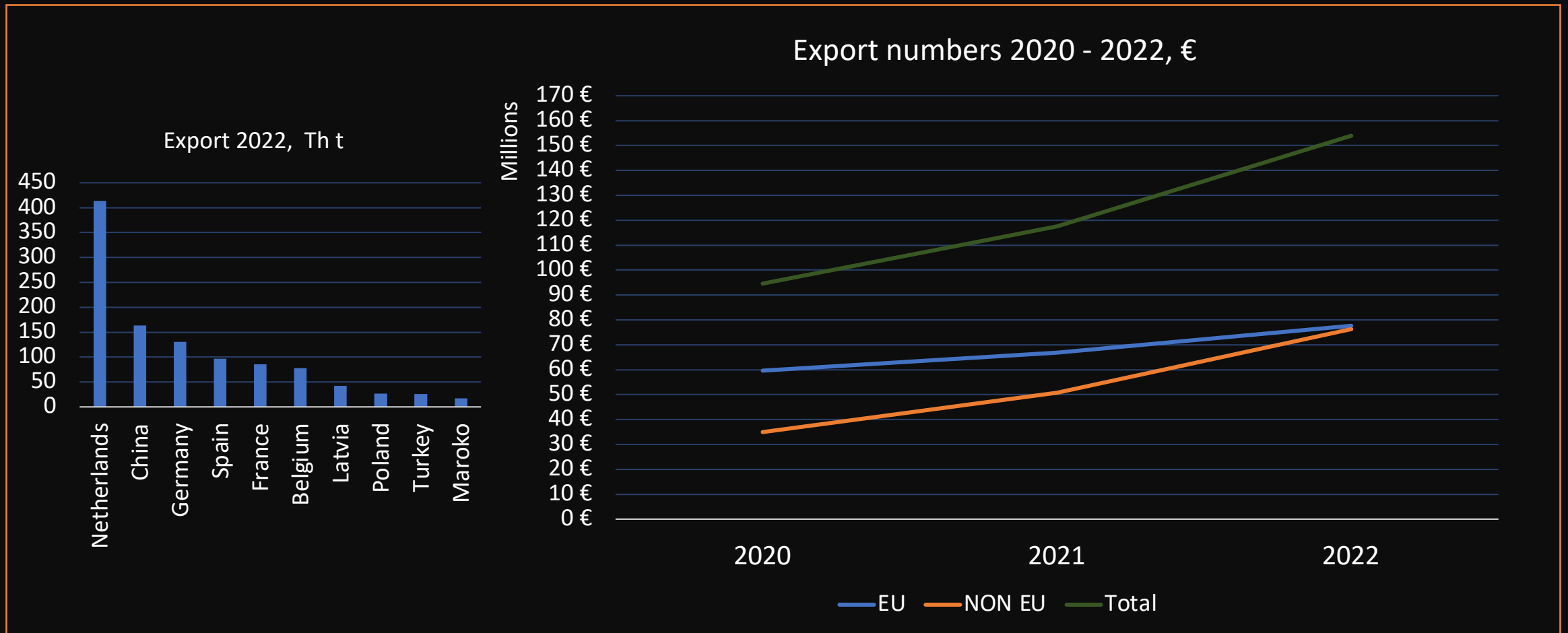
■ Exceptional ■ Good ■ Medium ■ Poor

Development of new products



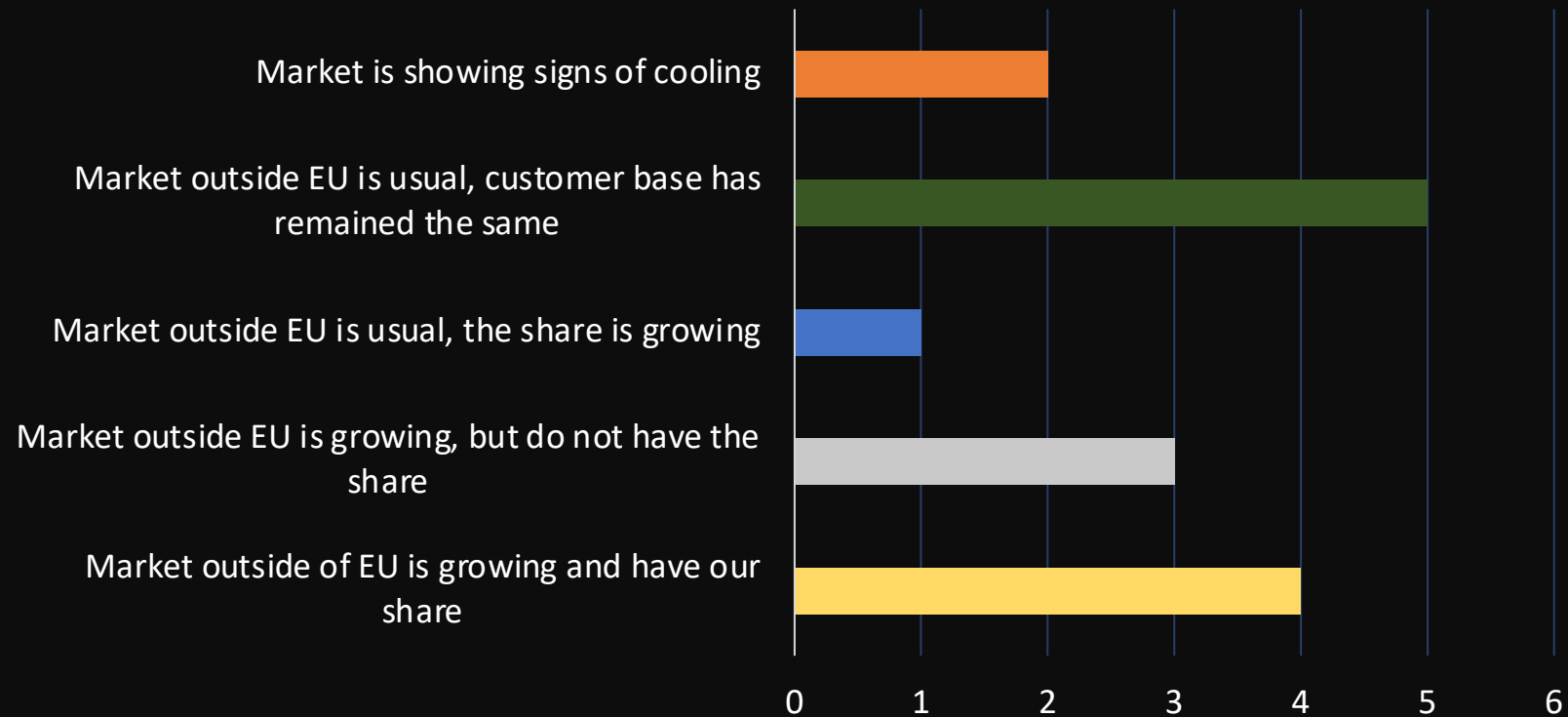
■ Yes, one new product ■ Yes, many new products ■ No

Export numbers



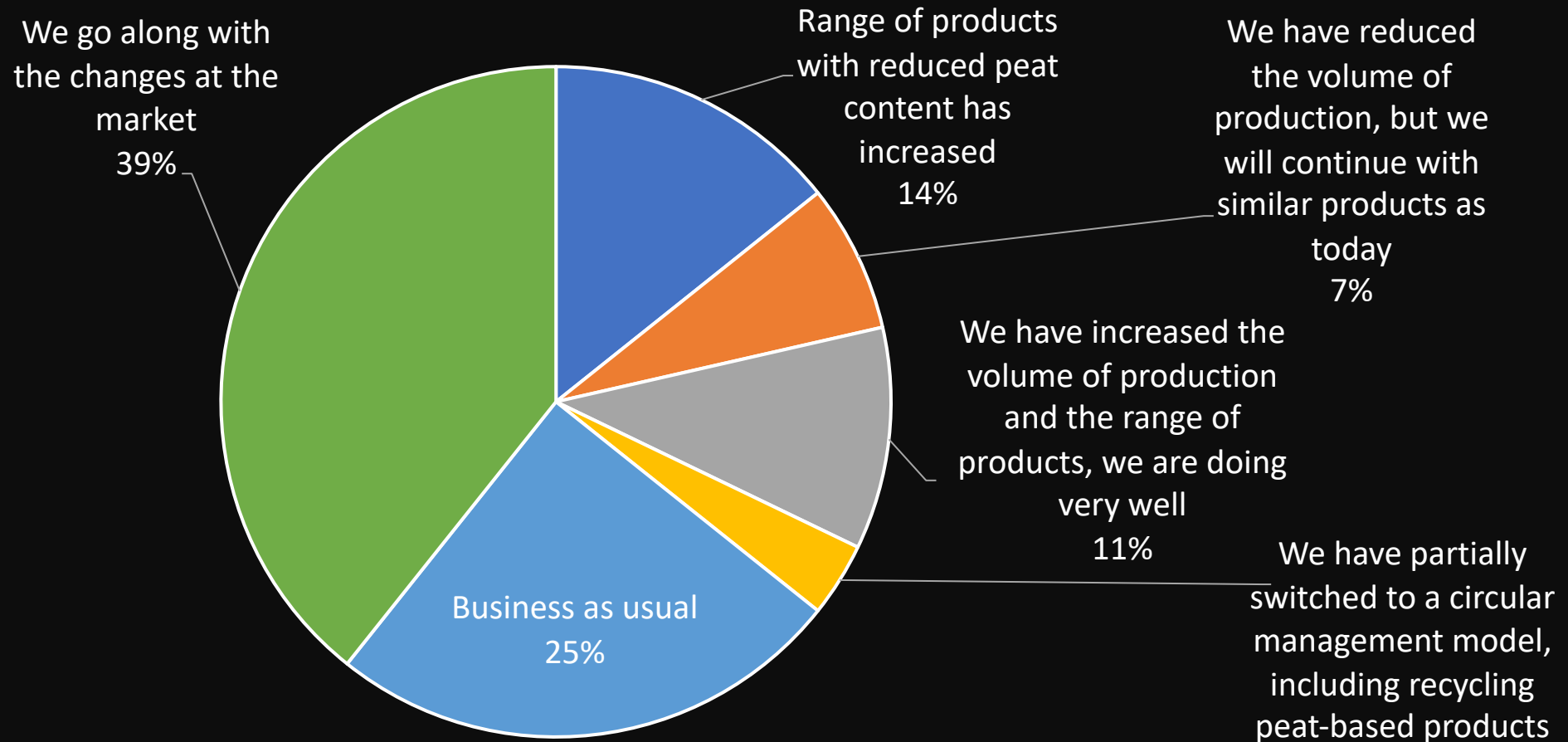
2023

NON EU market evaluation



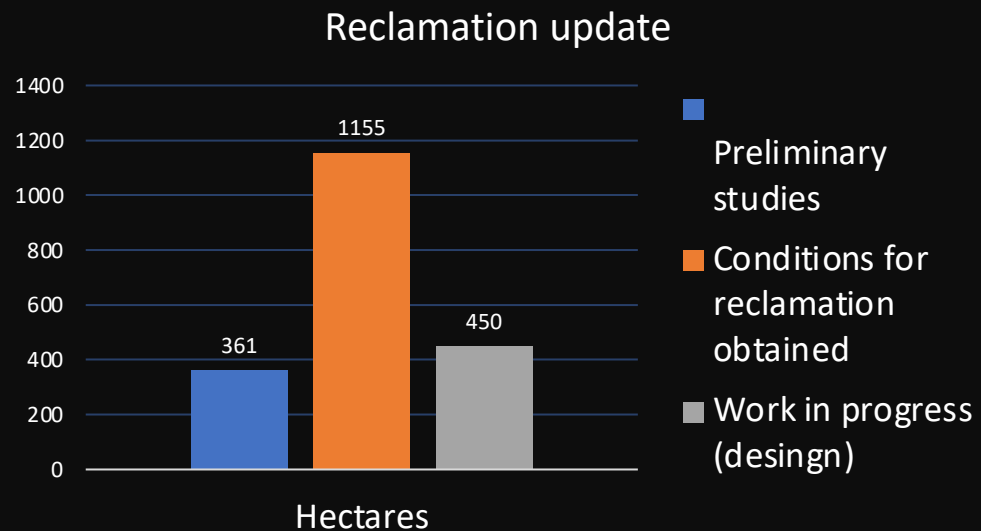
What about the future plans?

Future (10 year evaluation)



Reclamation and re-wetting

Reclamation of depleted peat production sites is the producer's responsibility.



Thank you!

