

Challenges for (Baltic) peat Industry, part 3

## The hidden secrets of reporting peat's climate impact

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## Preface

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In the beginning Man created the Industry and the **Statistical System** to describe that. And the system was without form, and purpose; and **darkness was upon the face of our mind.**

## System

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Statistics is a numeric description of „things“, i.e., **a simplified mathematical model** describing different aspects of life. When it comes to peat, the models describing peat's climate impact, which has become a fundamental question, are simplified to the level; they **no longer describe the actual life**.

## Reality

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**NATURE** is the basis of all models. Most complicated but also the most precise. In the case of nature, it is not our wishes or opinions that count but the laws of nature, especially **chemistry**. Nature is brutally honest. It has no worldview preferences. Luckily, it seems to be **in favour of peat**.

Why peat's chemistry is essential, and what does peat consist of?

## Peat

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The chemical properties of peat include elemental composition, organic components, and ash. The five basic elements of peat are **C, H, O, N and S**. The elemental properties of peat are generally between that of wood and coal.

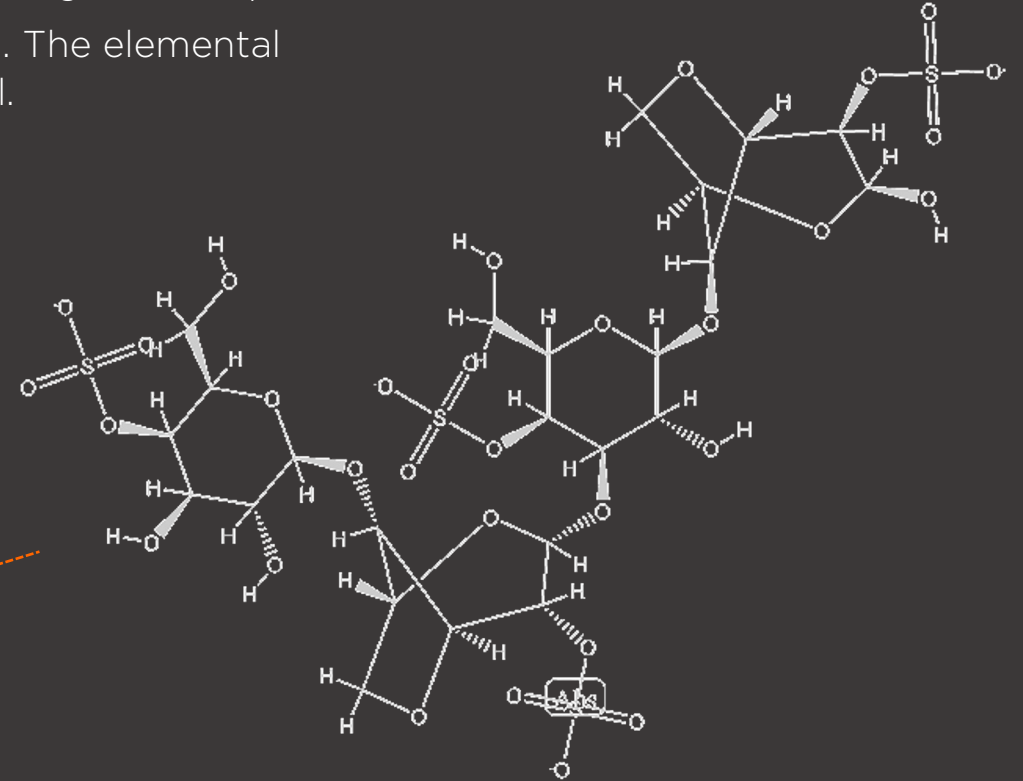
## Peat

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The chemical properties of peat include elemental composition, organic components, and ash. The five basic elements of peat are **C, H, O, N and S**. The elemental properties of peat are generally between that of wood and coal.

Element composition is important, but **molecules matter**.

Very complicated, but essential to pay attention, peat consists, to a large extent, of very complex molecules like **sugars, cellulose, hemicellulose, lignin** etc.



## Process

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Peat is decomposing constantly. In aerobic conditions, faster, anaerobic, slower. Simply put, it is mostly a **biochemical process** where different enzymes produced by fungi, bacteria or arches break down complex hydrocarbons from which different plant parts are formed. In first-order sugars, last lignin.

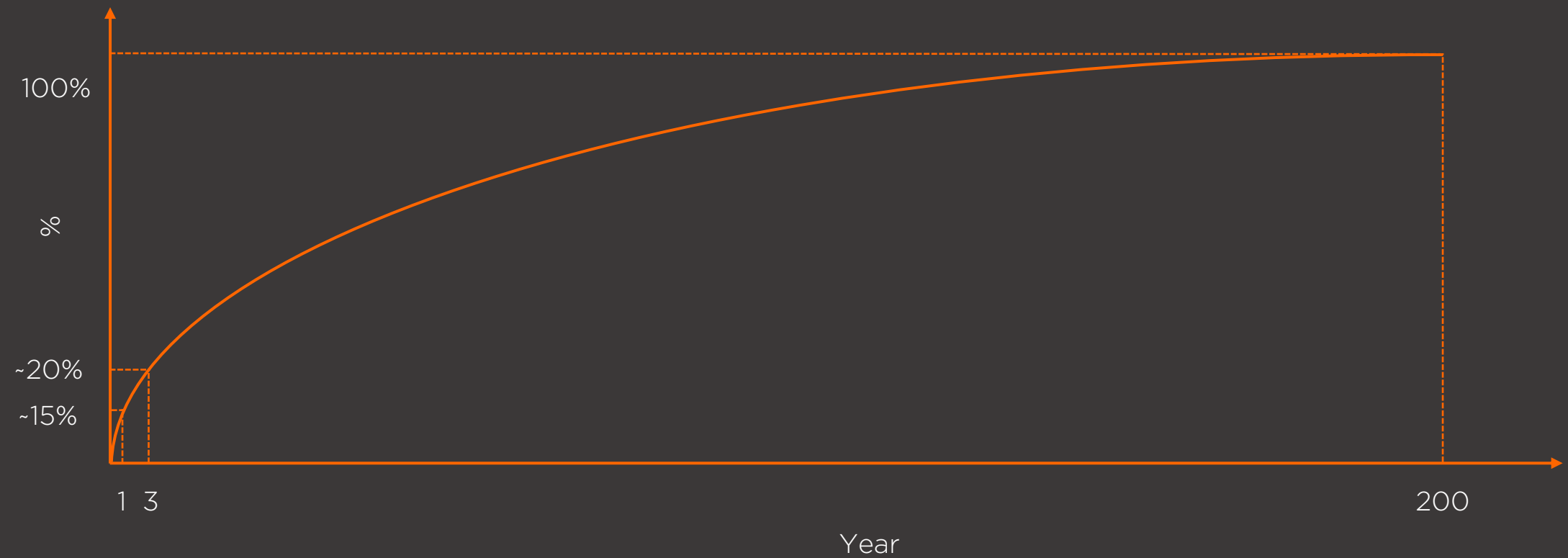
As a result, different new compounds were formed, including gaseous **CO<sub>2</sub> and CH<sub>4</sub>**. Quite the same as how yeast eats sugar, and as a result, alcohol and CO<sub>2</sub> are produced. Some carbon is also lost by DOC (dissolved organic carbon) with water in the form of different C-containing humic and fulvic substances.

After producing fresh biomass, the organic compounds that decompose faster decompose practically immediately – within a few months or years. Despite the anaerobic environment slowing down all decomposition, then already during its formation, peat is in larger proportion formed by those parts of the plant that are **formed from chemically more stable compounds**. Therefore, it takes time for peat to decompose even if exposed to the air. And even then, not all material decomposes nor forms gases or DOCs. For example, one solid compound is humus, which remains in the soil.

## Time

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Principle distribution of peat emissions in time



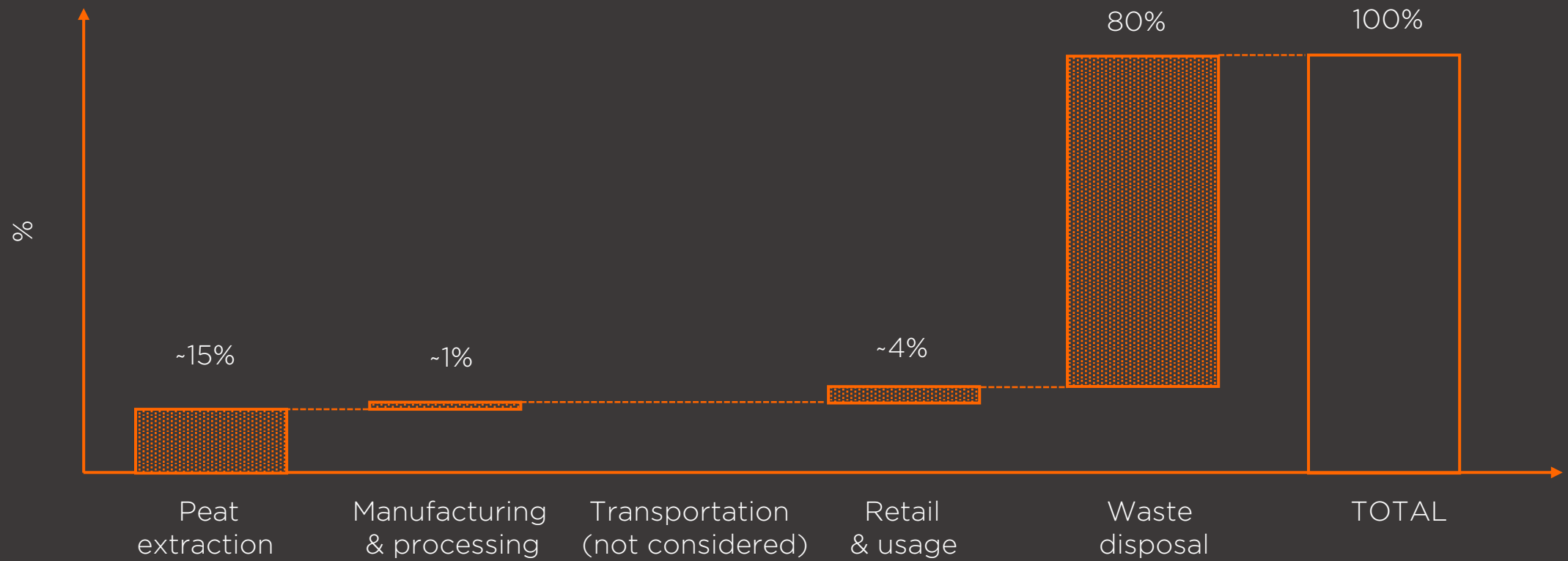
NB! The numbers provided are estimates



## Stages

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Principle distribution of emission between stages



NB! The numbers provided are estimates

## Learnings

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There are three critical learnings from the above:

1. **Decomposition of biomass, especially in the case of peat, takes time.** Often, a lot of time.
2. During the peat decomposition, **CO<sub>2</sub>, CH<sub>4</sub> etc., cannot be formed several times or in larger quantities** than there is carbon in the peat.
3. **Not all the carbon compounds in peat are decomposing to gaseous compounds or DOC.** Some remain in solid form.

## Model 1

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**NIR** is a national inventory report based on the UN's common reporting format (CRF) of all Parties (2006). The NIRs contain detailed descriptive and numerical information, and the CRF tables contain all greenhouse gas (GHG) **emissions and removals**, implied emission factors and activity data.

Peat-related emissions and removals are reported by **IPCC Wetland Supplement** (2013), excl. emissions resulting from the consumption of energy peat. Wetland Supplement is voluntary until 2025. After that becomes obligatory.

## Theory

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NIRs are composed according to **TACCC** principles:

**Transparency** - assumptions and methodology are clearly presented; necessary documentation is available

**Accuracy** - uncertainty must be reduced as much as possible, appropriate methodologies must be used according to the IPCC guidelines

**Consistency** - throughout the entire time series same methodology must be used, to estimate emissions consistent dataset is needed

**Comparability** - data must be comparable between countries, methodology and format must be according to COP decisions, GHG sources and sinks according to IPCC 2006 methodology

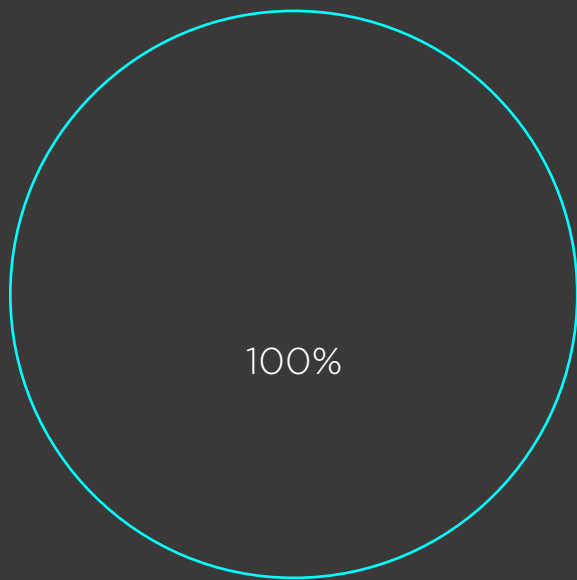
**Completeness** - all gases and sources/sinks are reported within the entire country

**All NIRs** are audited every year 2 to 3 times alternately based on seven principles by different Parties. Non-conformities must be eliminated.

## Reality

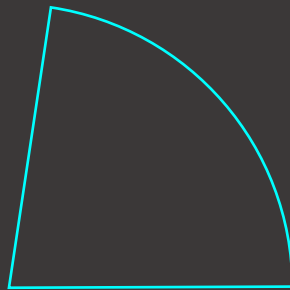
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Number of countries



195

Countries submitting NIR (2023)



43 + EU

Submitting data about peat harvesting



Belorussia, Canada, Denmark, Estonia, Finland, Germany, Hungary, Ireland, Latvia, Lithuania, Norway, Poland, Russia, **Spain**, Sweden, **Turkey**, UK, Ukraine, USA

18

Submitting peat data clearly and logically



Estonia, Finland, Latvia, Norway, Russia, Ukraine

6

## Learning

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Compared with **TACCC** principles:

**Transparency** – assumptions and methodology are not often clearly presented; necessary documentation is often missing or incomplete

**Accuracy** – many uncertainties; most countries use IPCC 2006 default values, but we know that understanding of emissions dynamics and measurement accuracy were poor.

**Consistency** – mostly met.

**Comparability** – on-site and off-site emissions are reported very differently; often, they are not separated. For example, based on NIRs, in most cases, we can't say how much peat is produced in a specific country in a specific year, but we should.

**Completeness** – all gases and sources/sinks are not reported within the entire country. Peatland restoration is taken into account only in Russia and Malta.

Reminder - **all NIRs** are audited 2 to 3 times annually based on seven principles by different Parties. Non-conformities must be eliminated.

## Mismatches

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**Horticultural peat-related climate impact is not estimated through the emission but through the removal!** In other words, removed carbon from the Earth's Crust in the form of peat, not the carbon in the composition of different gases emitted into the air.

Air dry peat's carbon content varies in different NIRs between 50% (Germany) to 100% (Denmark). Mostly between 66-85%. In Estonia, 66%. According to more than 100 years (including very recent ones) studies, it is at least in Estonia, **average about 49%**!

On top of the above, **peat is expected to fully oxidize immediately after being produced**, the so-called - instant oxidation principle. Clearly, it is not the case.

Evidently the IPCC method is highly simplistic and **does not correspond to reality**.

## Model 2

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**LCA** is a circular production model. Whatever the economic model, an LCA is a tool for identifying or comparing the environmental impacts of a product or industrial activity by quantifying all material flows and assessing **how materials interact with the natural environment**.

In our case, we talk about peat; so far best we have is GME's LCA tool.



## Theory

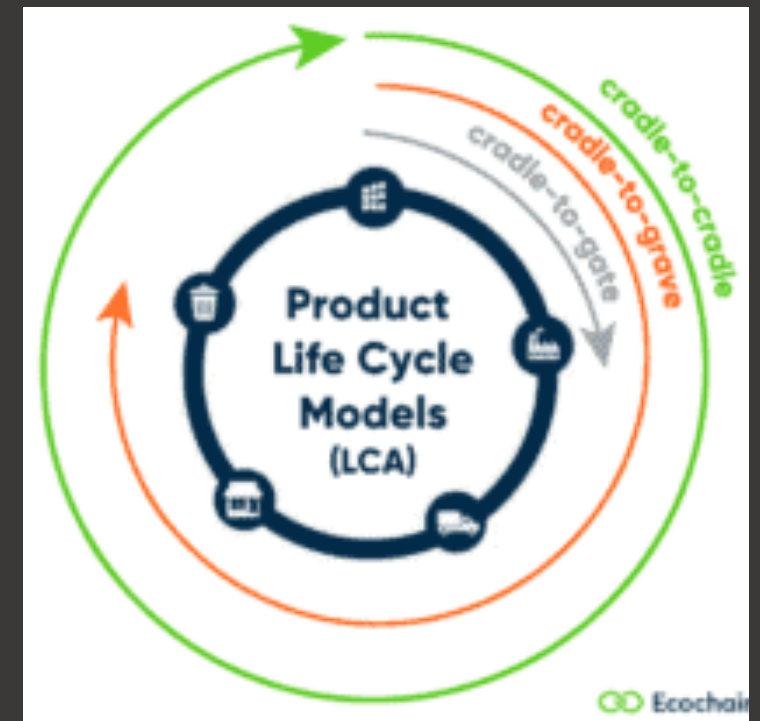
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There are **different principles** for modelling products lifecycle (mentioning some):

**Cradle-to-grave** - product's impact is analyzed along the 5 product lifecycle steps. Cradle is the product's inception with the sourcing of the raw materials, grave being the disposal of the product.

**Cradle-to-cradle** - a concept often referred to within the Circular Economy. It is a variation of cradle-to-grave, exchanging the waste stage with a recycling process that makes it reusable for another product, essentially "closing the loop" - also called closed-loop recycling.

**Cradle-to-gate** - only assesses a product until it leaves the factory gates before it is transported to the consumer. This means cutting out the use and disposal phase. Gate-to-gate is sometimes used in product life cycles with many value-adding processes in the middle. Cradle-to-gate assessments are often used for environmental product declarations (EPD). EPD is standardized certification of a life cycle assessment, mainly used to verify impact data from business to business.



## Theory

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Product life cycle from **Cradle To Grave** consists five phases:

Raw Material Extraction

Manufacturing & Processing

Transportation

Usage & Retail

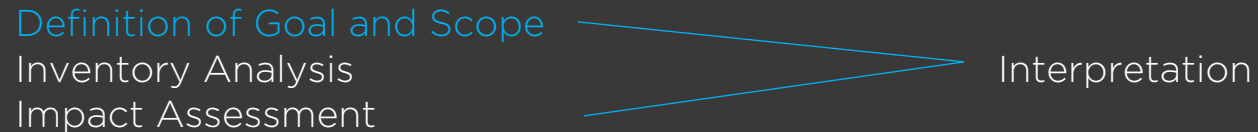
Waste Disposal

## Theory

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Stages and principles of LCA preparation, which deserve to be highlighted in case of peat:

A Life Cycle Assessment Consists Of 4 Phases:



Definition of Goal and Scope - define **what exactly we want to analyze** - and how deep we want to go with our analysis. Defining our goal and scope serves very important functions (presented rhetorically):

- What system will we be assessing in? **Chosen system defines our product life cycle**, and the implications we will be analyzing.
- **What Will We Not Be Assessing?** The value chain can go very deep.

## Learnings

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When it comes to peat in the composition of substrate, **only Raw Material Extraction and Waste Disposal genuinely matter**.

Despite the preparation of LCA models being standardized and should be done according to agreed principles, there is much **more room for decision**.

Both NIRs and LCAs often **rely on the same data**, even if presented differently.

## Mismatches

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Horticultural peat-related climate impact is **not considering the actual behaviour of the peat as it should!** After-use practices are not appropriately considered. In most cases, the principles of the circular economy are already (unknowingly?) applied to substrates.

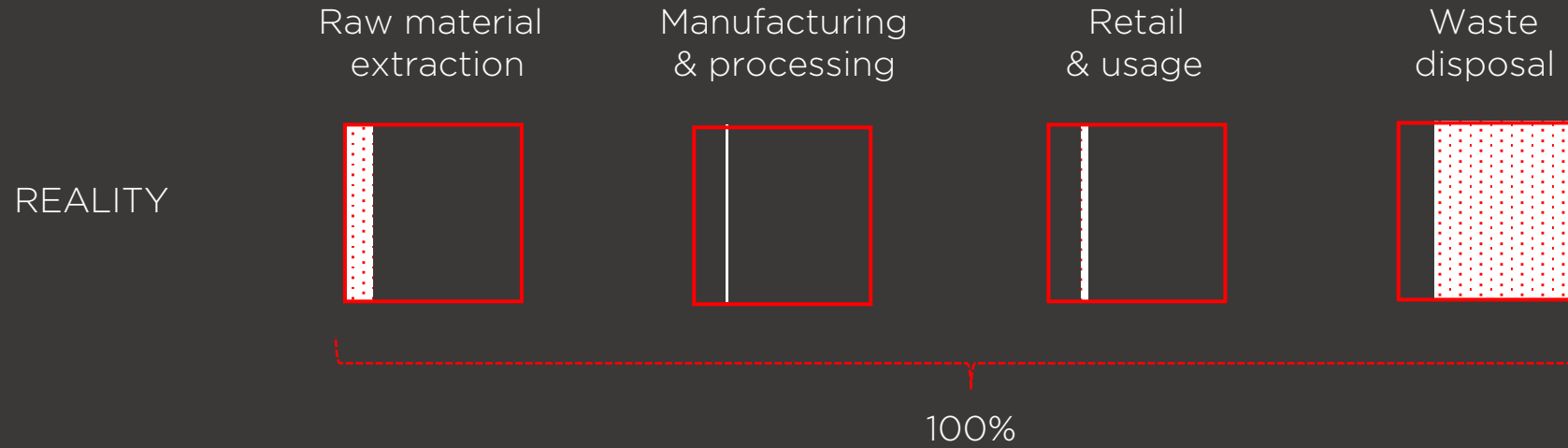
Peat is expected to **fully oxidize immediately after being used**. Clearly, it is also not the case.

The GME LCA method is also simplistic and **does not correspond to reality** when it comes to peat.

In defence of the model, however, it must be mentioned peat is too complex to be described correctly with simple and standard models. Delineating the impact of peat use is **much more complicated** than with most other products. However, the peculiarities of peat should have been taken into account more. At present, it is like a dangerous tool that came without instruction, as users are not explained what one or another approach means.

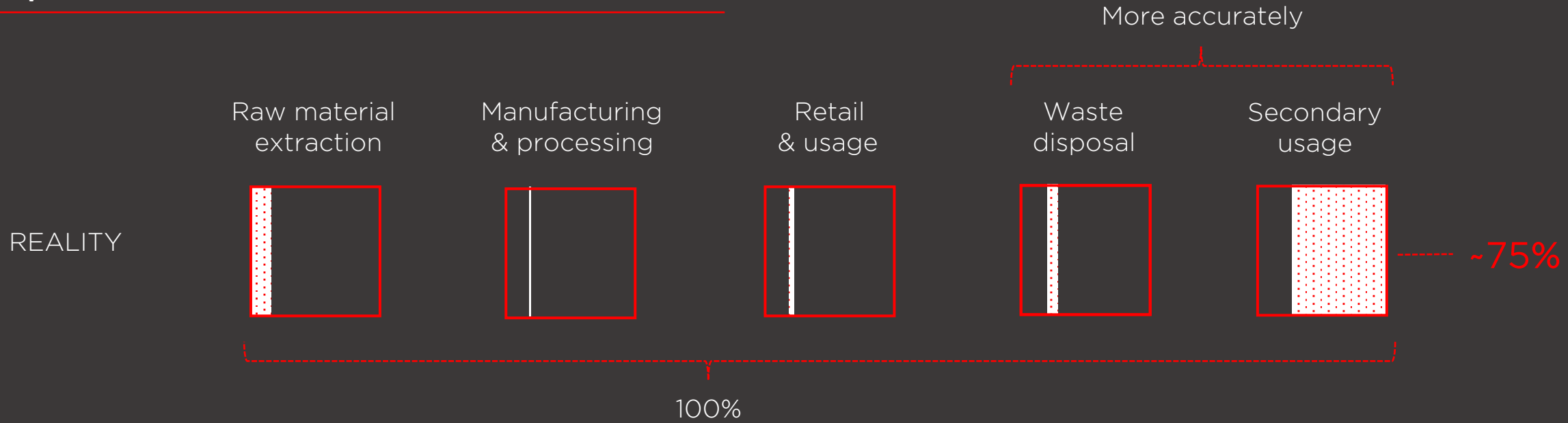
## Comparison

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 - CO<sub>2</sub> emission

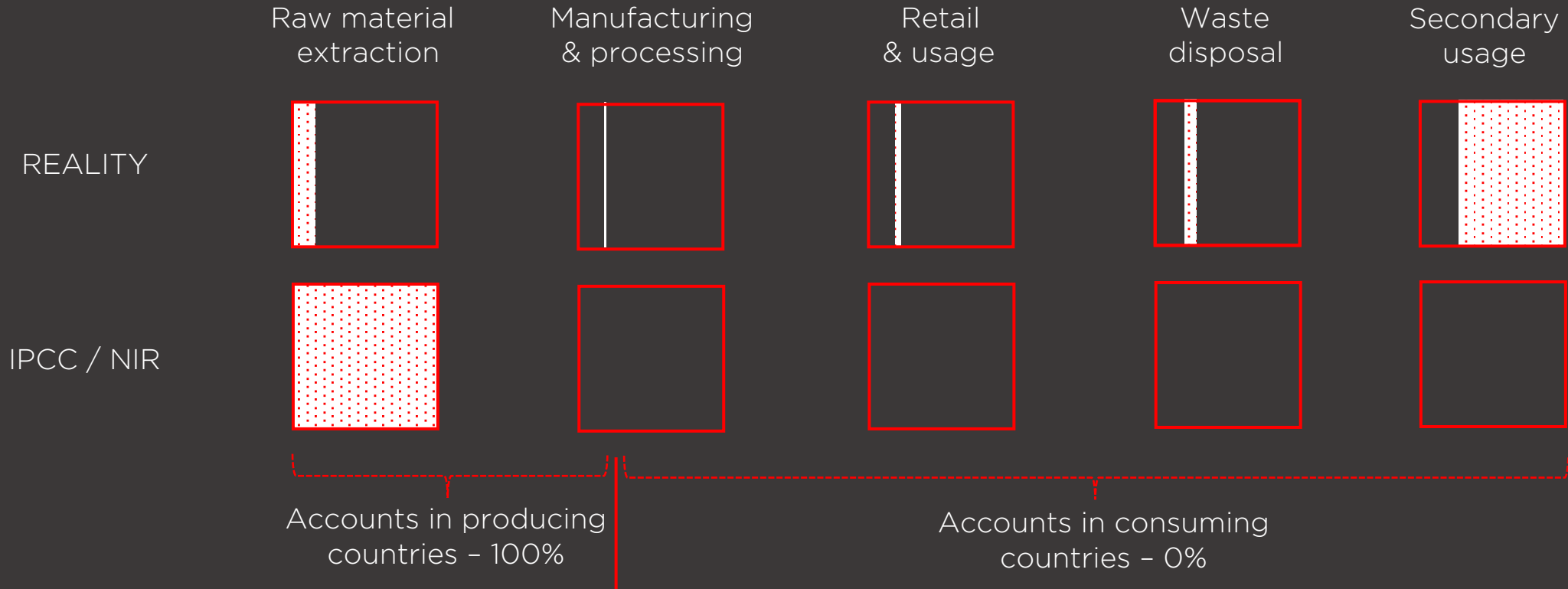
## Comparison



NB! The numbers provided are rough estimates

## Comparison

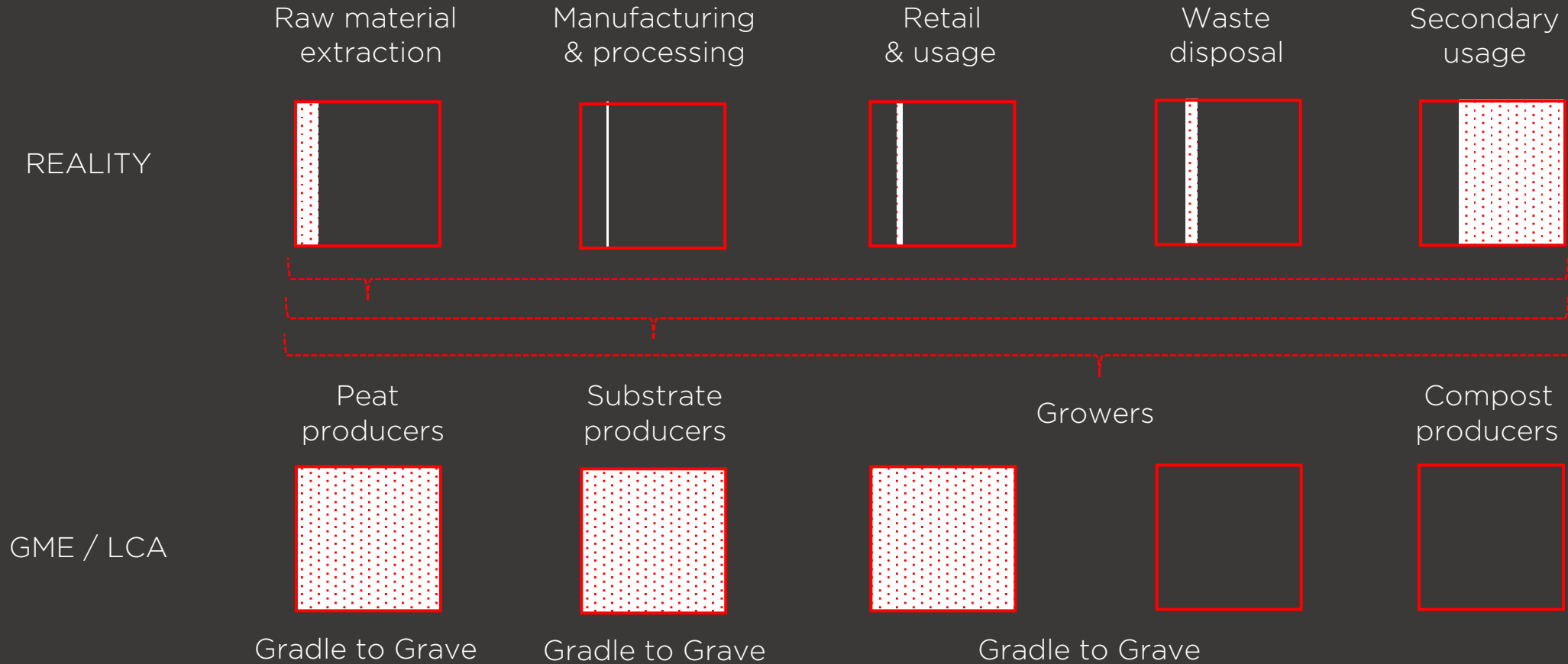
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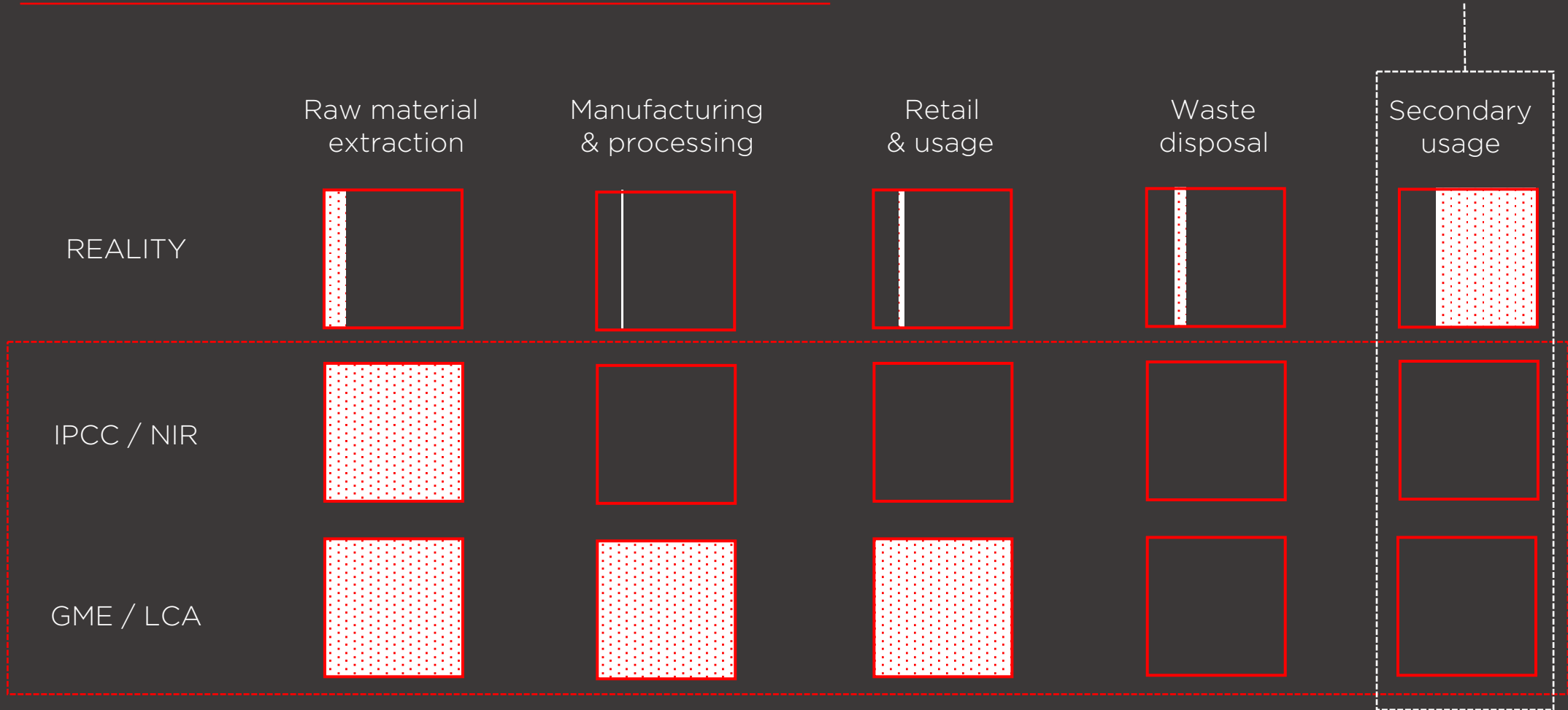
## Comparison

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# Comparison

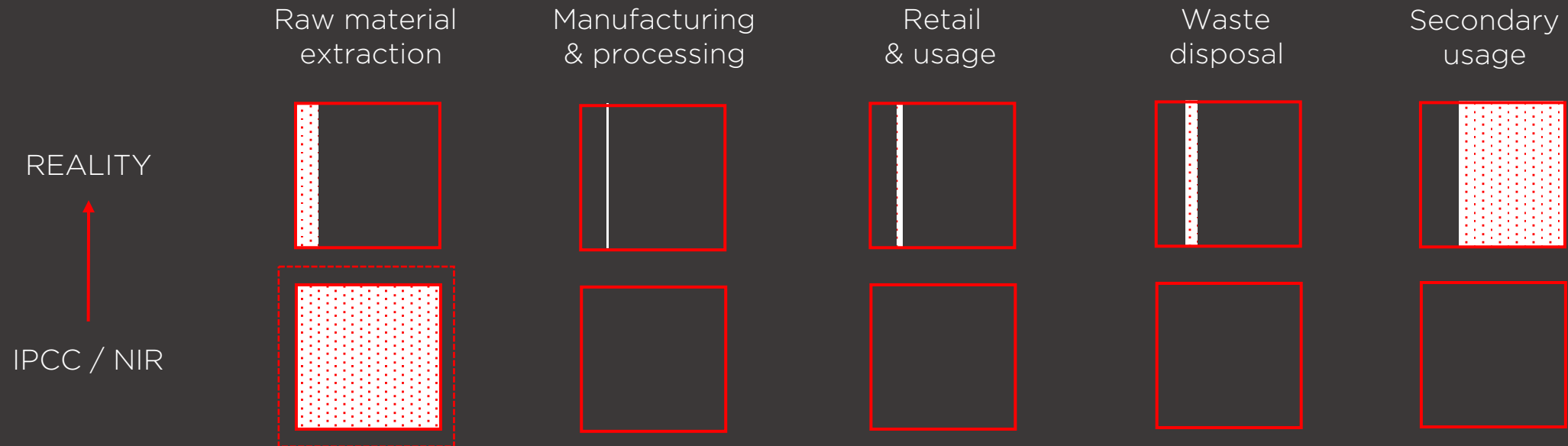
# Potential solution



Obvious problem

## Comparison

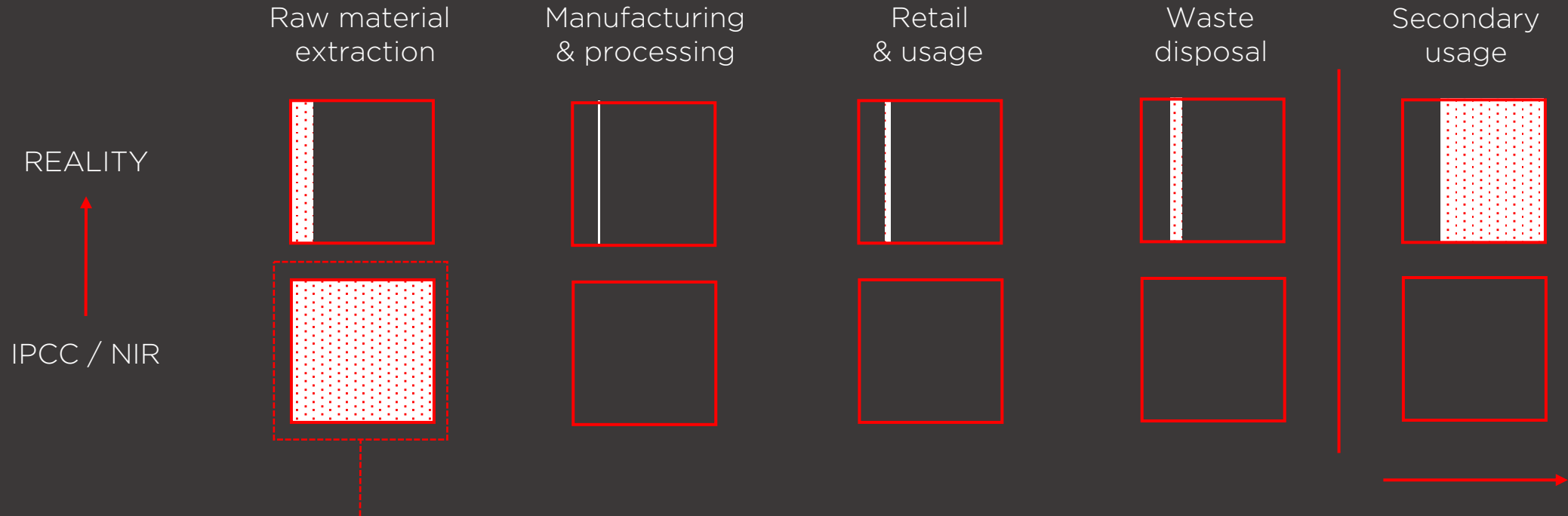
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Complicated problem, as peat emissions are accounted as **removals**.

## Comparison

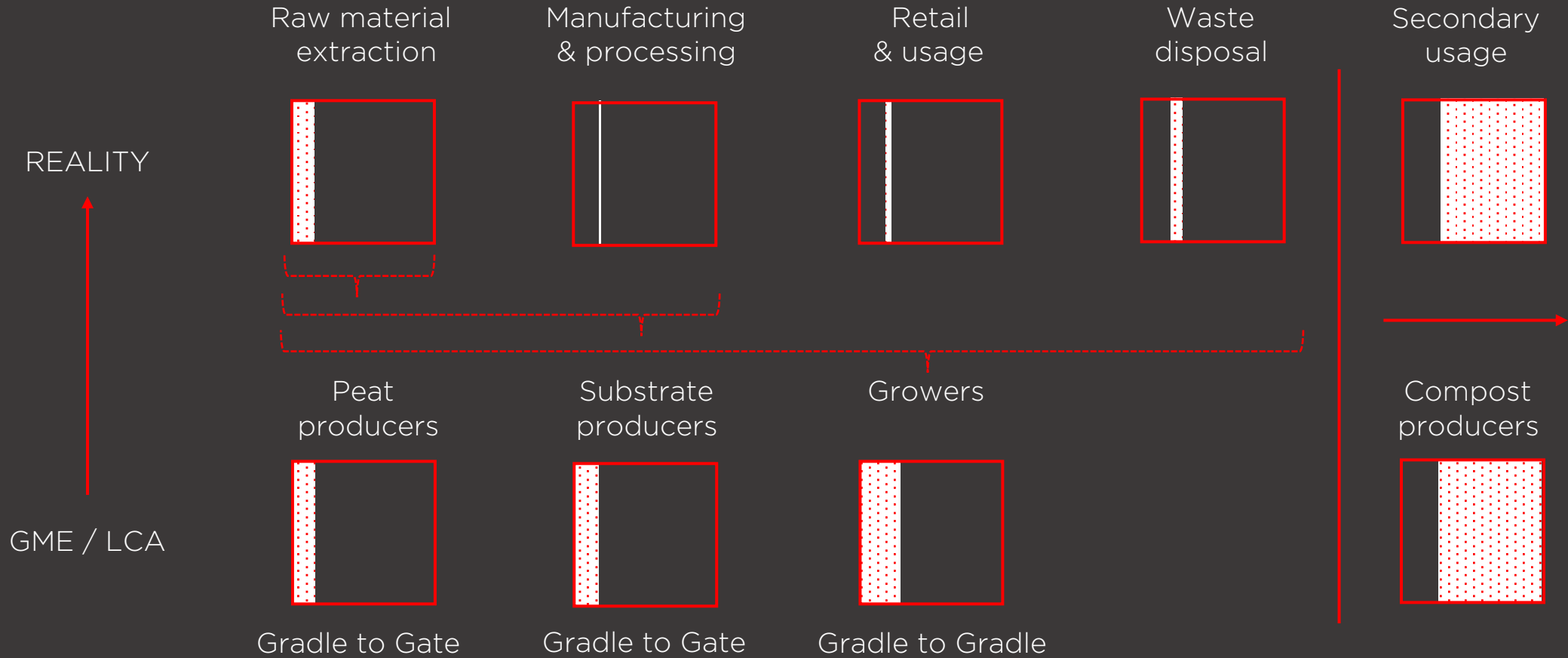
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Complicated problem, as peat emissions are accounted as **removals**.

The reduction seems **possible** if it can be proven that not all peat decomposes.

# Comparison



## Conclusions

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IPCC and LCA models **do not describe peat's behavior or emissions correctly**. Devil is in details and chemistry.

IPCC rules are based on knowledge that is **more than 20 years old**. Since then, science has developed, and understanding has improved. However, there is still much to research. It must be implemented.

For the peat, the principal problem in IPCC is calculation through removals. **Removals do not equal emissions**. When we talk about climate change, emissions matter. Despite the challenge, the system can be improved.

In the LCA model, peat was approached in a standard, that is unsuitable way. A **more comprehensive approach is needed**. So far, it is a dangerous tool without proper instruction. We must do better.

Both IPCC and LCAs are often based on the exact science. **By improving one, we improve both.**

Actual emissions from peat usage in horticulture are **much smaller** than presented. That gives hope.

Thank you!

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Peat is not a problem but part of the solution!