

Delegations will find in the Annex a note from the German delegation on the above-mentioned subject, to be dealt with under "Any other business" at the Council (Agriculture and Fisheries) on ... May 2022.

Peat reduction in horticultural growing media:***Information provided by the German delegation***

Peat is the most frequently used component in horticultural growing media in Europe. It is extracted from peatlands. However, peat is a fossil material and a limited resource and peatlands are the most important long-term carbon sinks in the terrestrial biosphere. Peatlands only cover about 3% of the earth's land surface but may store nearly twice as much organic carbon as all the forest areas in the world. According to the UNFCCC secretariat, peat extraction and its use for horticultural purposes constitute a relevant source of greenhouse gas emissions, which accounted for 12 Mt CO₂ per year in 2019 in the EU27. Thus, of all materials commonly used for the production of horticultural substrates, peat has the highest impact on climate change. Peatlands are also associated with other important ecosystem services such as water quality and flood prevention.

In the European Union, peat extraction will be included in mitigation targets defined in the LULUCF regulation (EU) 2018/841 as part of the category “wetlands” from 2026 onwards. So far, national political strategies to reduce and phase out peat use in horticulture have been engaged in some European countries, including Germany.

Germany is one of the most significant players in the peat market, importing almost one third of the peat processed, mainly from the Baltic countries, while a good third of the total output volume of ready-to-use growing media is exported to other countries. The Federal Ministry of Food and Agriculture in Germany has developed a strategy to significantly reduce peat use, which explicitly includes discussions with the horticultural sector. Meanwhile, companies have started to market peat-reduced and/or peat-free substrates for hobby gardening.

According to a scientific working paper published by the German Thünen Institute ¹ peat can be substituted by alternative mixtures. The main alternatives today are wood fibres, composted bark, green compost, and coir pith. These materials are renewable and have much lower climate footprints compared to peat. Furthermore, there is currently no indication that their extended use as alternative growing media constituents is limited due to scarce resource supplies. According to the

¹ “Peat replacement in horticultural growing media: availability of bio-based alternative materials” (see: <https://www.thuenen.de/de/infothek/publikationen/thuenen-working-paper> - Thünen Working Paper 190),

Thünen Institute, the current demand for alternative growing media constituents represents a minor fraction of current supply. For wood, bark and coir by-products, the specific maximal potential demand is even below current supply. Only for green waste, the specific maximal potential demand slightly overshoots current supply.

Nevertheless, the availability of data on growing media, growing media constituents (including peat) and biomass residues needs to be improved in order to develop informed strategies towards peat reduction. In addition to the potentially available resource supply, the economic and legal conditions for the growing media industry to access raw materials should be considered. Finally, the costs of peat extraction and use in horticulture are currently low in comparison to other growing media constituents. Increasing the price of peat, for example through a carbon pricing system, would contribute to stimulating the demand for growing media alternatives and accelerating their economic efficiency, acceptance and success.

While alternative materials could turn climate neutral in the future if the transport and energy sectors are successfully de-carbonised, peat cannot achieve climate neutrality due to its fossil nature and its inevitable decomposition during use.

Therefore, the Commission is invited to develop a joint EU strategy to promote peat reduction in growing media produced and used in EU countries.