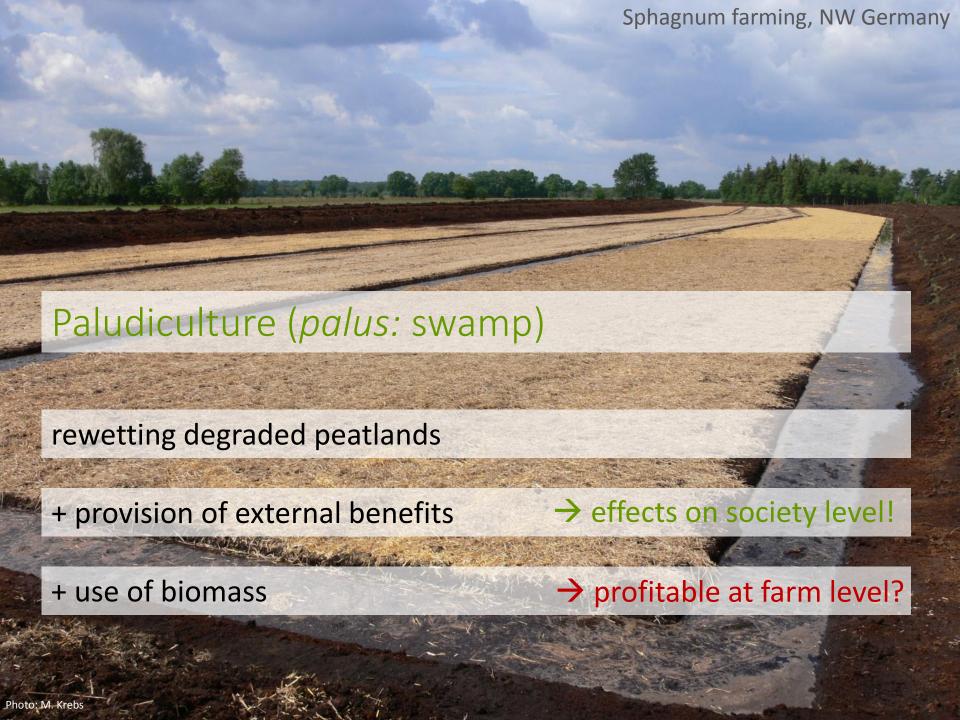


Economics of paludiculture

Sphagnum farming, reed harvesting and cattail cultivation







Paludiculture



Bogs

- Peatmoss
- Sundew
- → Sphagnum
- farming

Reed

Fens

- Cattail
- Sedges
- Reed carnary grass
- Alder

Sphagnum biomass:

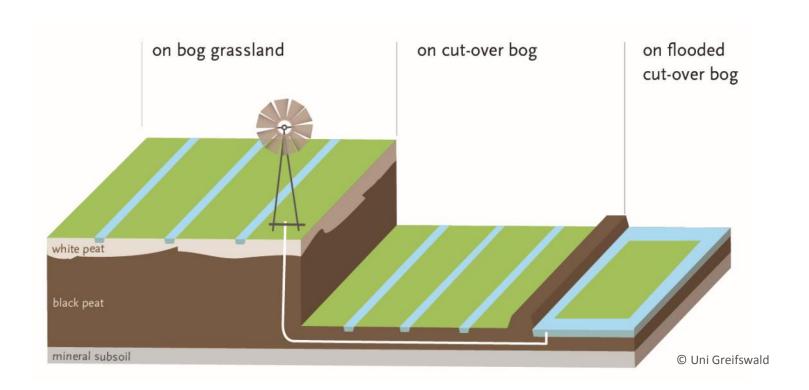






Sphagnum farming on degraded bogs

- → Most important: keeping water table high without flooding
- → Comparing establishment costs for three different site types



Sphagnum farming on former bog grassland

Initial state \rightarrow site preparation + seeding



Sphagnum farming on former bog grassland

Initial state → site preparation + seeding → established culture



Sphagnum farming on cut-over bog

Initial state → site preparation + seeding



Sphagnum farming on cut-over bog

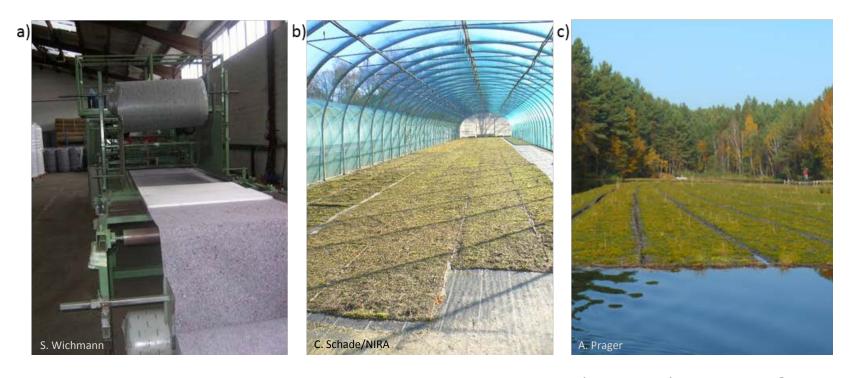
Initial state → site preparation + seeding → established culture



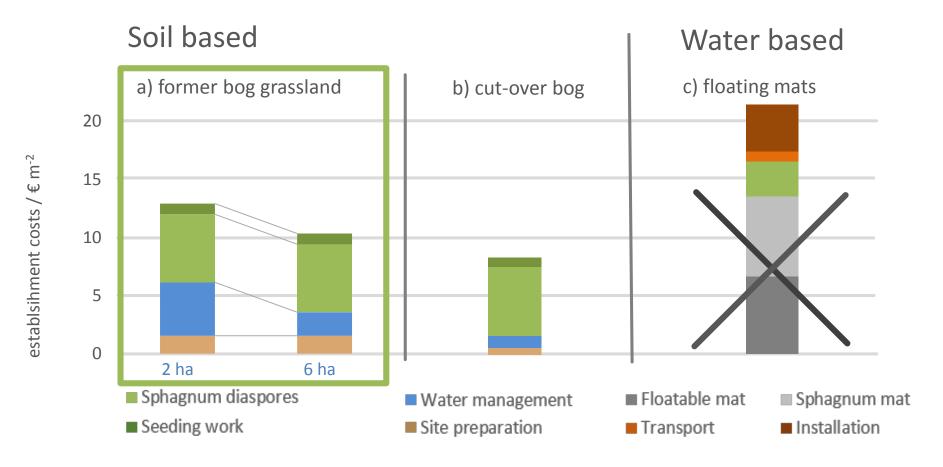
Sphagnum farming on flooded cut-over bog

→ Floating mats

- a) Production of mats
- b) Pre-cultivation of Sphagnum mats
- c) Installation on artificial water bodies



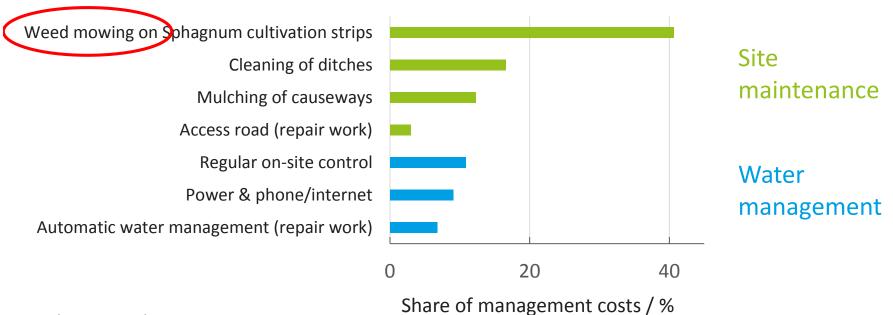
Establishment costs



- Establishment costs: highest for water based Sphagnum farming
- Diaspores = bottleneck: highest costs and availability
- Water management: wide range of investment costs (automatic control vs. wind pump)
 proportionate costs depend on size of irrigation area
- Highest area potential in Germany: bog grassland (92,000 ha)

Management costs





Wichmann et al., in prep.



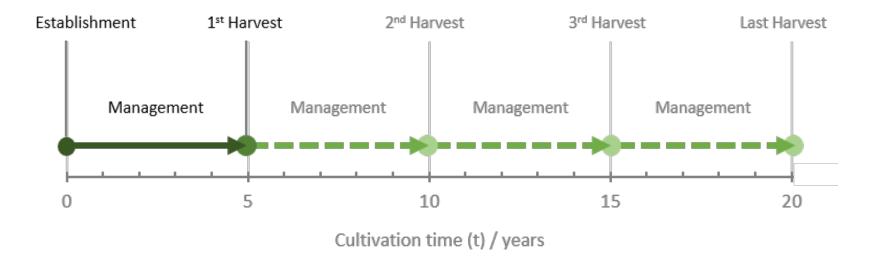
2016: First large-scale harvest of cultivated Sphagnum

→ real-life costs + biomass yields + regeneration potential



Costs of Sphagnum farming on former bog grassland





- Experience and data of first rotation = 5 years
 - → Upscaling to 20 years with 4 harvests
- Dynamic investment appraisal (i=3%)
- → Present value of management costs > establishment costs

Profitability of Sphagnum farming on former bog grassland





Alternative to peat

- Competitive in quality
- Not profitable due to low prices for peat
- Higher willingness to pay for sustainable substrate?

Orchid cultivation

- Regional production instead of collection in wild populations
- Profitable with medium to high yields

Diaspores

- Sphagnum farming or restoration
- Profitable even with low yields

→ High potential to cut costs and reduce break-even price

Harvesting reed: Energetic and material use





Special-purpose tracked machinery

Biogas: chaff





Combustion: bales





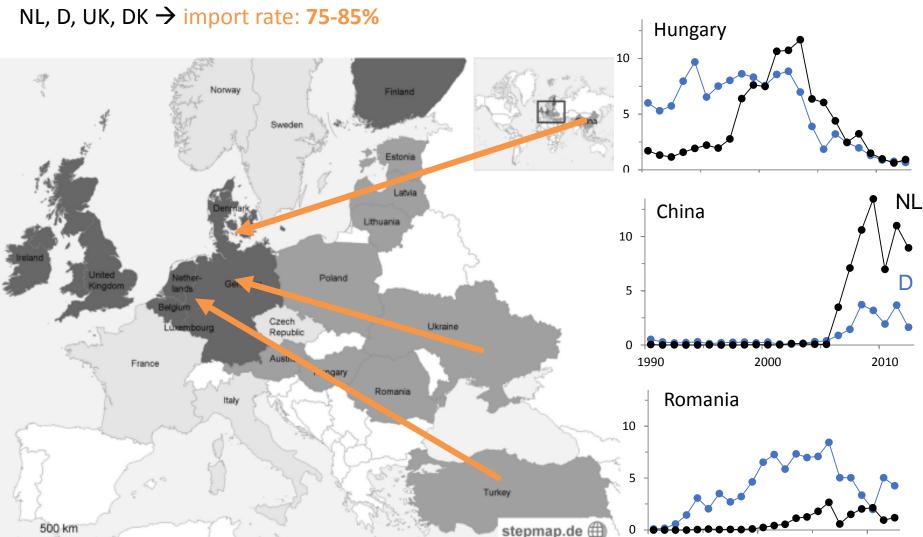
Thatching: bundles





Reed market in Europe (1990–2012)

Demand: ca. 15 Mio bundles / year



1990

2000

2010

Cost calculation → bundles for thatching

• yield: 500 bundles /ha \rightarrow 300 – 1000 bundles

revenues: 2.00 € /bundle
 1.90 - 2.50 € (3.50 €)

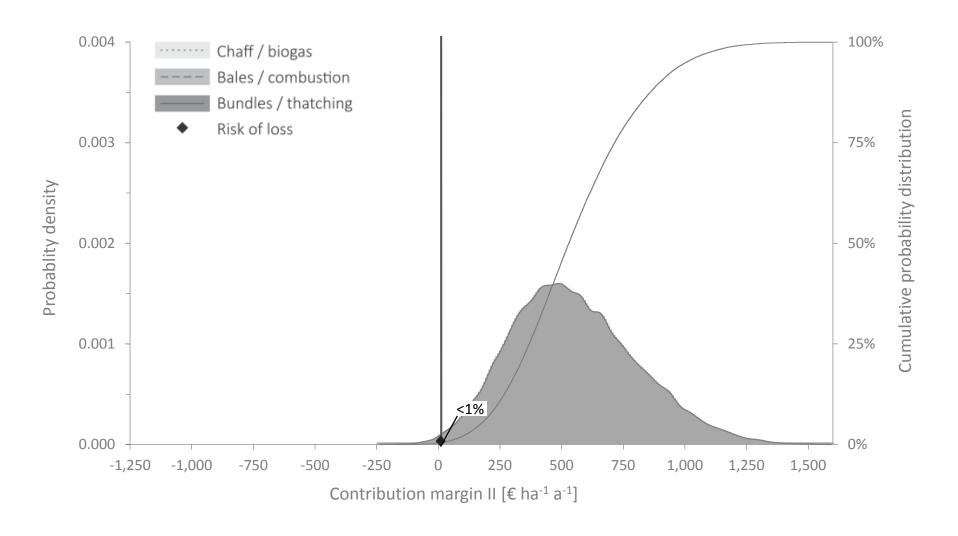


Deterministic Calculation		→ Point values
Revenues from the sale of biomass	€ ha ⁻¹	1000
variable machinery costs	€ ha ⁻¹	- 112
labour costs	€ ha ⁻¹	- 280
Contribution margin I	€ ha ⁻¹	608
fixed machinery costs	€ ha ⁻¹	- 125
Contribution margin II	€ ha ⁻¹	483

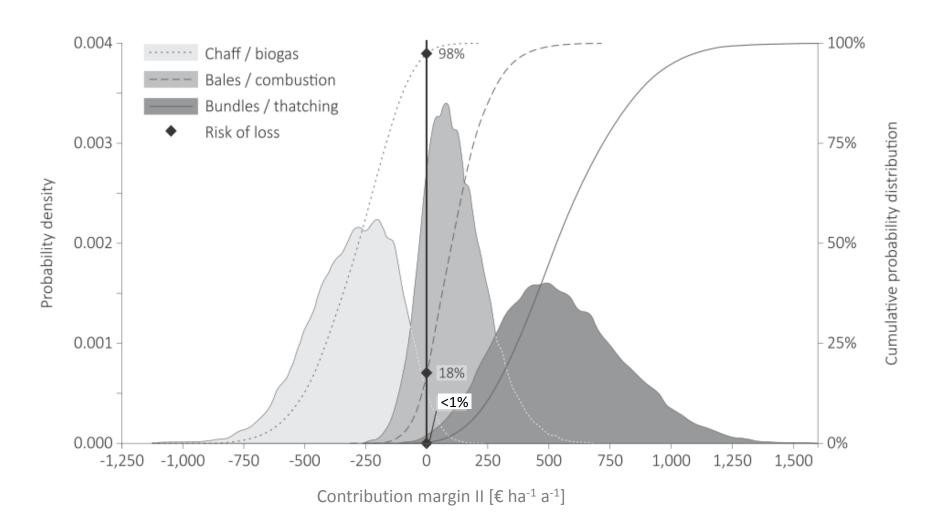
Stochastic simulation → ranges

Contribution margin II € ha⁻¹ -162 – 1542

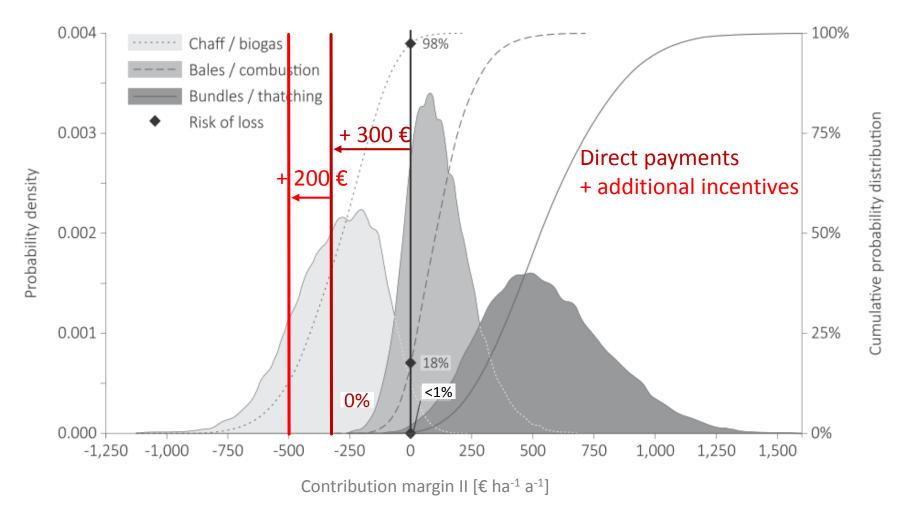
Stochastic simulation: ranges, distribution, 10,000 iterations



Stochastic simulation: ranges, distribution, 10,000 iterations



Stochastic simulation: ranges, distribution, 10,000 iterations



→ Increase economic viability and competiveness of plaudiculture

Typha establishment on fen grassland







No costs:

- 5 ha, site in NE Germany
- Neighouring plot rewetted for restoration
- Typha established by succession
- € 0 ha⁻¹

Medium to high costs:

- 0.5 ha pilot trial in NL
- Excavating basin or constructing dams, investment in pump
- planting seedlings
- Ca. € 5000 ha⁻¹ € 20,000 ha⁻¹

Typha as insulation material



- Winter harvest: bundles
- Drying + chopping
- Machine processed cavity insulation → Excursion 2
- Alternative: panels → 2c Robert Schwemmer, Martin Krus
- → marketable products + high demand





b) Typha as fodder for dairy cows



- Summer harvest: chaff
- fresh biomass or ensilaged
- Yields + nutrional values → 2c Jeroen Pijlman
- → enables transition form drainage-based to wet petland use





Summary



Sphagnum farming on bog sites

- Costs: diaspores, investment in irrigation, site maintenance
- High potential of cutting costs → break-even price ↓
- Current profitability: replacing peat | orchids (+) | diaspores ++

Reed and cattail on fen sites

- Machinery for harvesting and processing available, but improvable
- Profitability of harvesting reed: thatching > combustion > biogas
- Cattail cultivation: starting conditions influence costs + utilisation options

Adaptation of policy and legal framework

- Paludiculture allows balanced provision of ecosystem services
- Incentives can support acceptance + economic viability,
 e.g. long-term remuneration of external benefits

Don't miss the Poster Session





Introduction

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- instruments such as empiritary manages for \$15 allowing." private sector or private particles invasional

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and architects. Three companies are distinguished natural areas, agricultural nature types: landscape elements.

Hotorst seem

The Netherlands

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- Agricultural Nature + Landscape Management (AMLE)
- Compressed Francisco malional + (C.) moting (SEE).
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Denmark

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Sweden

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+ Agri-environment measure (Ear funding particle 1899-2000)

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Preliminary results

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- encourage emplation builder regions and countries. () A large made with in management produced one water for makements that
- control to be a provide of account services in provide real incoming increasing the account



Sabine Wichmann: wichmann@uni-greifswald.de



Survey: Economic incentives for wet peatlands

Incentive	
Country (region)	
Ecosystem service that is in focus	Carbon store / reduction of greenhouse gas emissions Water quality / nutrient retention Water quantity / water retention Siodiversity / habitat management Recreation Others, i.e.
Financing	Government-financed, i.e. GEU Chational Compulsory compensation (e.g. companies: biodiversity offsetting) Taxes, levies, charges Voluntary payments (voluntary compensation, sponsorship, donation) Others, i.e.
Duration of payments	□ One-off subsidy, i.e. □ non-repayable grant □ repayable credit □ Short-term payments (< 10 years) □ Long-term payments (e.g. 20 years) □ Others, i.e. □



This curvey is part of the project "ChibBiblish - Comparative constant, interprotice and exemplary implementation of almost smort load use practices an argunic soils: Progressing paluticultures ofter centuries of peopless destruction and register. The development of incentives that across of for social and environmental benefits backers identified as a resion action for achieving targe-scale paludiculture. We compile information on existing economic incentives and instruments that acknowledge postland economic province to increase increasing that may initiate and reward the shift to custainable central use and increase the economic visibility and competiveness of paladiculture.

