

A Look at Taiwan & Other Opportunities

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Taiwan is one of Asia's fastest growing economies, and with that growth in economic wealth comes an increased demand for energy –Taiwan currently ranks 15th in global electricity consumption per capita, with a 2% annual growth rate.

The Taiwanese Government recently introduced the *Greenhouse Gas Reduction and Management Act*, with requirements to reduce carbon emissions by 50% in five-year increments by 2050. Achieving this goal will require a sizable shift to renewable energy – which currently represents only 7% of Taiwan's energy production. With reliance on fossil fuels for more than 80% of its energy, Taiwan consumes more than 60 million tonnes of coal annually.

Wood pellets are increasingly used globally to reduce or replace coal in power production, as they offer a simple and efficient solution. Pellets are easily grindable, are dry and handle well, transport easily, are energy dense and can be used in coal plants with limited modifications.

There is a real opportunity for Taiwan to harness wood pellets to reduce its reliance on coal and significantly reduce its GHG emissions – early analysis indicates that wood pellet use could reduce emissions by between 80 and 90%. In terms of market demand for wood pellet producers, a 5% shift to co-firing coal with wood pellets would generate demand of between 3.5 and 4 million tonnes of pellets. With Canada's transportation advantage to Asia, this represents a significant market opportunity for Canadian pellet producers, a win-win for the economy and global environment.

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