

International Wood Pellet Markets with a Focus on Japan and South Korea

William Strauss and Annette Bossler

The global market for wood pellets has undergone substantial growth over the past decade, and continued gains are expected as economies around the world continue to green their energy production.

Between 2010 and 2020, the global wood pellet market has experienced growth rates averaging 10.8% annually, from about 12.6 million metric tonnes in 2010 to about 38.8 million metric tonnes in 2020. This includes pellets for heat and industrial pellets for power.

The industrial pellet sector is, and will be, an important component in supporting the transition to low carbon generation. Policy frameworks in different nations vary, but all will drive increased demand for sustainable biomass – our analysis suggests that under these evolving policy regimes, the Industrial pellet sector is forecast to reach about 43 million metric tonnes per year in 2027 – more than double 2019 demand.