

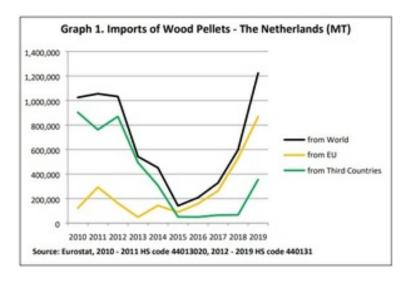
1 July 2020

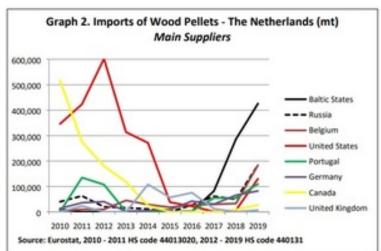


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Report: Netherlands to double wood pellet imports in 2020 By Erin Voegele | June 29, 2020



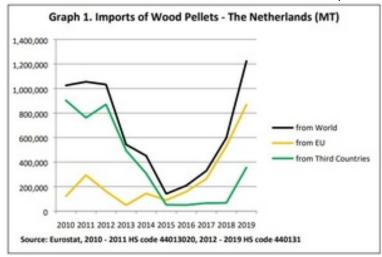




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SOURCE: USDA FAS GAIN

The Netherlands doubled its wood pellet imports to a record 1.22 million metric tons in 2019, according to a report recently filed with the USDA Foreign Agricultural Service's Global Agricultural Information

Network. Imports are expected to double again this year based on the co-firing plans of Dutch power companies. The report explains that the Netherlands imported more than 1 million metric tons of wood pellets in 2012. U.S. was the top supplier of pellets to the Dutch power companies at that time, accounting for 600,000 metric tons of imports.

Dutch imports of wood pellets stagnated from 2013 to 2017 due to the termination of government support for the use of woody biomass for energy generation. Subsidies resumed, however, in 2018 and 2019. As a result of those subsidies, the Dutch power sector imported 1.22 metric tons of wood pellets at a value of \$232 million last year. Few of those pellets were imported from North America. Dutch power companies primarily sourced wood pellets from Latvia, Estonia, Lithuania and Russia in 2018 and 2019.

Sustainability requirements are a primary factor limiting U.S. wood pellet exports to the Netherlands. The report explains that pellets must be certified at the forest level. In the U.S., biomass for pellet production is generally sourced from small forest owners who do not have a program certification.

According to the report, the Dutch government has developed a verification protocol as an alternative to certification to facilitate pellet imports. Importers, however, are often reluctant to utilize the system due to a fear that product might be determined to be non-compliant after delivery.

The Netherlands consumed an estimated 1.197 million metric tons of wood pellets in 2019, up from 614,000 metric tons in 2018. Consumption is expected to increase to 2.25 million metric tons this year. The country imported 1.223 million metric tons of wood pellets in 2019, with 130,000 metric tons of that volume coming from the U.S. Imports are expected to reach 2.5 million metric tons this year, with the U.S. supplying up to 500,000 metric tons of that volume.



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A full copy of the report can be downloaded from the USDA FAS GAIN website.

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Richard P. Vlosky, Ph.D.

Crosby Land & Resources Endowed Professor of Forest Sector Business Development Director, Louisiana Forest Products Development Center
Room 227, School of Renewable Natural Resources
Louisiana State University, Baton Rouge, LA 70803
Phone (office): (225) 578-4527; Mobile Phone: (225) 223-1931

Web Site: www.LFPDC.lsu.edu



