

The EU's annual imports of pellets have increased five-fold since the beginning of this decade. During the year to the end of August 2019, they amounted to almost 11 million tonnes, of which 60% was supplied from USA and a further 15% derived from each of Canada and Russia.

The following text introduces the weight of pellets which several EU member states import, provided that their imports exceed about 200,000 tonnes during 2018. It does so in alphabetic order of those states' names

USA supplies roughly half of the one million tonnes of pellets which **Belgium** imports. Canada (decreasingly) and Russia (increasingly) supply most of the remainder.

Ukraine has displaced Romania¹ as the reported source of supply of the 50,000 tonnes of pellets which **Bulgaria** imports.²

Estonia³ and Latvia⁴ each supplied about one quarter of the 3.5 million tonnes of pellets which **Denmark** has imported per year since 2017.⁵ Russia and USA each supplied a further 15%. USA supplied most of the increase in imports which occurred between 2016 and 2017; previously, imports from USA were negligible.

Estonia imports negligible quantities of pellets (and residues) – despite Estonia being the apparent destination for a large and rapidly increasing weight of pellets exported from Latvia.

Although the weight of pellets which **Finland** imports is negligible, the weight of logs which it imports (predominantly from Russia is not). Some of the latter might be transformed into raw material for pellets by sawmills in Finland. However, the weight of Finland's exports of pellets is negligible.

Since 2017, EU member states have supplied the great majority of **France's** imports of pellets (Belgium 50%). The annual total is increasing and exceeded 300,000 tonnes by the end of June 2019.⁶

Germany imports roughly 400,000 tonnes of pellets each year, almost all from EU member states (mainly Belgium, Denmark and Poland⁷). The total has declined slowly, by amounts similar to the decrease in imports from Russia.⁸

¹ Romania's annual exports of pellets doubled (to 400,000 tonnes) early this decade but have since declined to about 150,000 tonnes. Almost half of the latter was destined for Austria while a further 15% was destined for each of Bulgaria and Italy.

² It is conceivable that most of Bulgaria's imports of pellets are in transit for Greece – Bulgaria has exported roughly 100,000 tonnes of pellets per year to Greece since 2014.

³ Half of the one million tonnes of pellets which Estonia has exported on an annual basis since 2016 has been destined for Denmark. A further 20% of the total was exported to the UK. The weight exported annually from Estonia increased three-fold between 2012 and 2017 – but little if any of this is reported as imports by Estonia. The trend since then is unclear.

⁴ Latvia's exports of pellets have increased four-fold since the beginning of this decade. Estonia accounted for half of the two million tonnes of pellets which Latvia exported during the year to the end of June 2019. Latvia and the UK were destinations for a further third and 10% respectively.

⁵ Although this implies a stable market operating at full capacity, Denmark's annual exports of pellets have increased ten-fold since 2015, to more than one million tonnes during the year to June 2019 (when UK accounted for half that total and Belgium a further quarter). Of course, some (or much) of that increase might comprise re-exports (in transit through Denmark from elsewhere).

⁶ Belgium's annual exports have increased strongly from a low level, reaching 300,000 tonnes during the year to the end of June 2019. France is the destination for two thirds of that total and most of the increase. France has exported 200,000 tonnes of pellets on an annual basis since 2015, two thirds to Italy.

⁷ Poland's exports of pellets have increased nearly ten-fold since 2012, almost all the increase being destined for three countries. During the year to the end of June 2019, Italy accounted for 40% of the total while Denmark and Germany each accounted for a further 20%.

⁸ Germany exports approximately 600,000 tonnes of pellets each year. During the year to June 2019, the destinations included Italy (one third) and Austria, Denmark and France (15% each). Little (if any) of this is likely to comprise re-exports.

Austria supplies roughly one third of the approximately two million tonnes of pellets which **Italy** has imported on an annual basis since 2017.⁹ Russia and the USA each supply roughly 5% of the total, other countries outside the EU supply a further 15%. The weight imported by Italy has increased threefold so far this decade, but the trend has fluctuated (the total peaked briefly during 2014).¹⁰

Latvia's imports of pellets are increasing steadily but are not large relative to those of some EU member states. Their weight reached some 250,000 tonnes per year during the year to the end of June 2019. Belarus, Russia and Lithuania supplied half, one third and a sixth of that total respectively.

Lithuania's imports of pellets are rising rapidly (from a low level) and have exceeded 200,000 tonnes per year during 2019. Belarus and Russia supplied almost all the total (roughly two thirds and one third respectively). Lithuania's annual exports of pellets have increased nearly three-fold since the beginning of this decade (to a little over 500,000 tonnes). Much of that recent amount likely to be in transit for onwards re-export.¹¹

Netherlands' imports of pellets declined by some 80% between 2012 and 2015, particularly in response to concerns about sustainability and carbon accounting. The weight imported annually has increased intermittently but strongly since 2016, reaching 500,000 tonnes during the year to the end of June 2019. Russia has supplied most of that increase. Sources of the largest monthly imports from EU member states have fluctuated, but have included Estonia, Latvia and Portugal (in addition to Belgium and Germany). In contrast, Netherlands' exports of pellets have increased six-fold this decade, reaching 300,000 tonnes during the year to the end of June 2019.¹²

Although it imports only small quantities of pellets, **Portugal** is a leading exporter of pellets – supplying between 400,000 and 800,000 tonnes on an annual basis since the beginning of this decade. One third of the total exported during the year to the end of June 2019 was destined to each of Denmark and the UK, while a further 20% was exported to Spain.

Slovenia's imports of pellets are rising rapidly, but have yet to exceed 300,000 tonnes on an annual basis. Since 2014, Russia and Ukraine have supplied most of the increase. It is unclear how much of this is in transit to Italy.¹³

Sweden's annual imports of pellets fell by half between 2014 and 2016, but have increased since then, to about 400,000 tonnes (during the year to the end of June 2019). Russia supplies roughly half of that total. Estonia supplied a further third.

The **UK** burns roughly half of the weight of pellets which is imported into the EU. Most of this is burned by one power station - Drax. During the year to the end of June 2019, USA supplied 60% of those UK imports. Canada and Latvia¹⁴ supplied a further 15% and 10% respectively. Since 2013, USA has supplied most of the very rapid increase in the UK's imports. Although those imports peaked during 2015 (the first three units at Drax having then been converted), they have risen since 2017 (to supply the Drax' fourth unit and, more recently, to be burned at Lynemouth's - [recently converted](#) - power station, [owned](#) by a controversial Czech oligarch).

⁹ Austria's annual exports of pellets have increased steadily (by 50%) since 2015, reaching 800,000 tonnes during the year to June 2019. Almost all the total and increase was supplied to Italy. Since 2015, Austria and Italy have each accounted for nearly half of Czech Republic's annual exports of pellets (of 300,000 tonnes).

¹⁰ Italy is the destination for almost all of Croatia's annual exports of pellets – 200,000 tonnes during the year to the end of June 2019.

¹¹ 40% and 20% of that recent amount was destined for Italy and Latvia respectively.

¹² The extent to which those exports are re-exports (in transit through Netherlands) is unclear. Most of the increase was destined for Belgium.

¹³ Slovenia's annual exports of pellets have increased six-fold since the beginning of this decade – to 300,000 tonnes. Italy accounted for almost all that increase.

¹⁴ Since early 2015, for reasons which are not clear, UK imports of pellets from Latvia have tended greatly to exceed the corresponding weight and trade value which Latvia exported to the UK.

