

# EUROPEAN PELLET CONFERENCE

Wels, Austria



March 23, 2026



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## BACKGROUND

With more than 450 participants annually, the European Pellet Conference remains the premier meeting place for the global pellet community. Leading international speakers present the latest developments in markets, policies, technologies, and innovations - providing an essential platform for Canadian pellet producers and associations to stay informed and engaged with global bioenergy trends.

The 2026 European Pellet Conference, held under the theme “Pellets – Energy and More!”, expanded its focus beyond traditional bio-heat markets to explore the evolving role of pellets in the broader bioeconomy. Sessions highlighted new EU policy developments, market trends, supply chain dynamics, and emerging opportunities such as biochar, BECCS (Bioenergy with Carbon Capture and Storage), and biomass-based materials.

A key message throughout the conference was the dual reality facing the pellet sector: while challenges remain - including policy uncertainty, increasing electrification, and slower investment in heating systems - there is significant momentum in new applications and innovation across the value chain. Discussions emphasized the critical role of pellets in supporting energy security, decarbonisation, and the transition to a circular, climate-neutral economy in Europe.



WPAC was actively engaged in the program. Fahimeh Yazdan Panah presented in the Pellet Innovation Session on “Wood Pellets in Arctic Communities – Climate, Economic and Social Benefits,” highlighting Canada’s leadership and real-world applications of pellets in remote and northern regions.

In addition, Fahimeh served as Chair of the Pellet Planet Session, bringing together international experts from

Europe, Asia, and the Americas to discuss global market trends, emerging challenges, and future opportunities. The session provided valuable insights into rapidly evolving pellet markets, particularly in Asia, and reinforced the importance of international collaboration and market diversification.

## WPAC / CANADA OBJECTIVES

WPAC was represented at the 2026 European Pellet Conference by Fahimeh Yazdan Panah, along with four Canadian small and medium-sized enterprises (SMEs). The delegation engaged actively with international stakeholders across the bioenergy value chain. Notably, companies such as Shaw Renewables, Granules LG, Great Northern Timber, and H.J. Crabbe & Sons have actively expanded their market engagement through this initiative. All of these companies are ENplus-certified, reinforcing Canada’s reputation for high-quality, standardized, and reliable pellet supply in international markets.

Key objectives included:

- Showcasing Canada's expertise and leadership in sustainable pellet production and applications, including innovative use cases such as deployment in Arctic and remote communities.
- Strengthening international collaboration and partnerships, including engagement with European and global stakeholders to support alignment on standards, certification, and market development.
- Advancing Canada's position as a reliable supplier of high-quality, sustainably produced, low-GHG wood pellets in established and emerging markets.
- Exploring new market opportunities beyond traditional bio-heat, including BECCS, biochar, sustainable aviation fuel (SAF), and bio-based materials.

### Activities

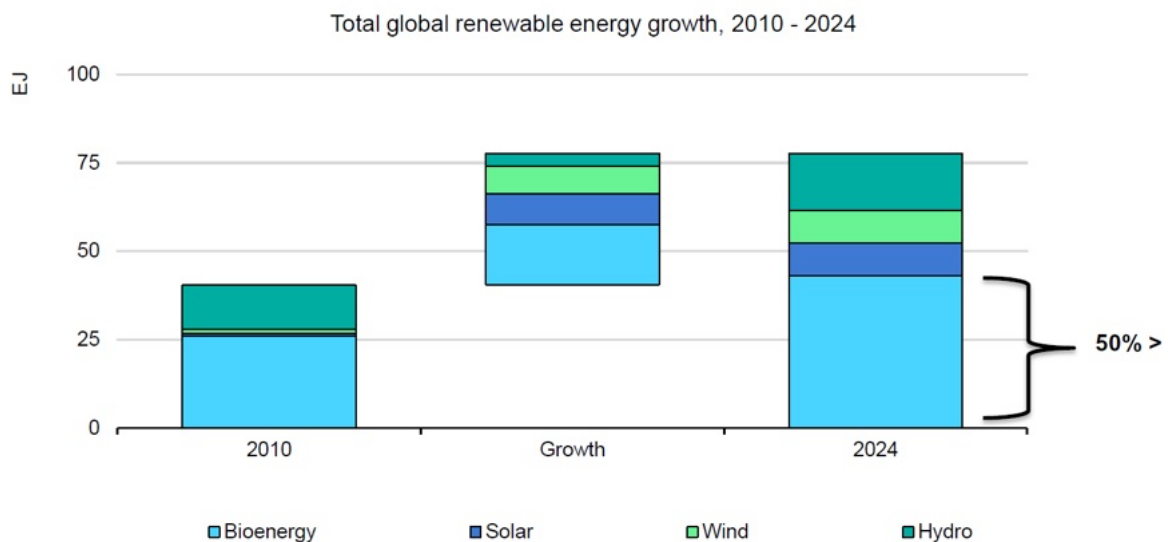
1. Engaging with existing and prospective customers, partners, and regulators across European and global markets to support business development and market intelligence. These interactions included meetings, discussions, and exchanges with prospective partners and stakeholders throughout the conference and associated networking activities.
2. Demonstrating Canadian leadership on the international stage through active participation in the program, including presenting on Canadian applications and chairing a key conference session.

### Deliverables & Outcomes

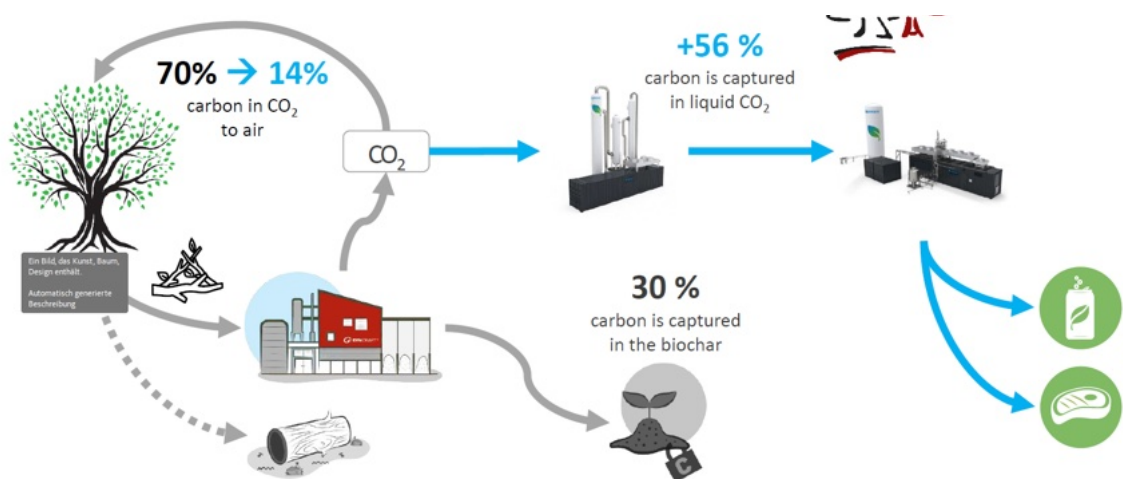
- 20 leads were generated through business development meetings.
- 40 potential foreign partners (agents, distributors, service contractors, and other stakeholders) were identified for further outreach.
- 4 Canadian companies expanded their international business development efforts because of the intelligence and contacts gained from this event.
- Approximately 40 foreign participants interacted with Canadian participants during the conference and associated networking activities.
- 4 Canadian participants engaged directly with international stakeholders throughout the event.
- Approximately 200 industry personnel were reached through a post-event market intelligence/trip report prepared by WPAC.
- No formal training activities were delivered as part of this initiative.

## KEY OBSERVATIONS

- Bioenergy continues to play a foundational role in the global energy transition, supporting energy security, emissions reduction, and economic development. Presentations highlighted that bioenergy remains a key pillar of renewable energy systems globally and is particularly important as a dispatchable and scalable complement to intermittent renewables such as wind and solar.



- The European heating sector remains the largest and most immediate market opportunity, with strong policy pressure to decarbonize heat while maintaining affordability and reliability. Biomass - particularly wood pellets - is recognized as a practical and cost-effective solution for replacing fossil fuels in residential, commercial, and district heating systems.
- A clear shift is underway from carbon neutrality to carbon negativity, with increasing emphasis on:
  - BECCS (Bioenergy with Carbon Capture and Storage) as a pathway to generate negative emissions
  - Biochar and carbon removal technologies integrated into heating systems  
This signals a major new market opportunity for pellets as both an energy and carbon carrier.



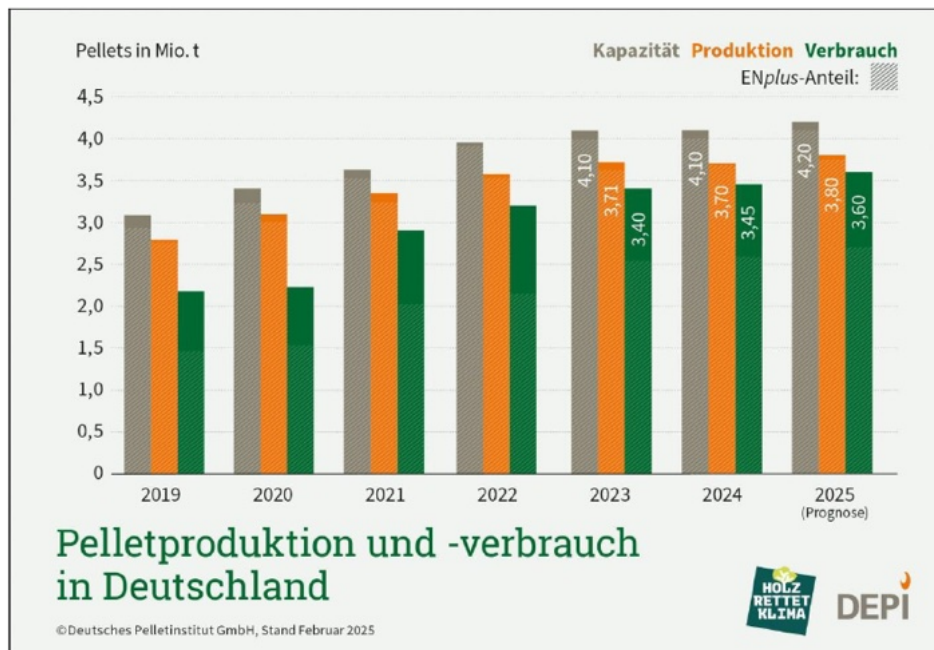
- Industrial decarbonization is emerging as a key growth segment, with pellets being positioned as a viable solution for:
  - Replacing coal in power and heat generation (e.g., boiler conversions in district heating systems)

- Supporting high-temperature industrial processes where electrification is not feasible  
This reinforces the role of pellets in hard-to-abate sectors.



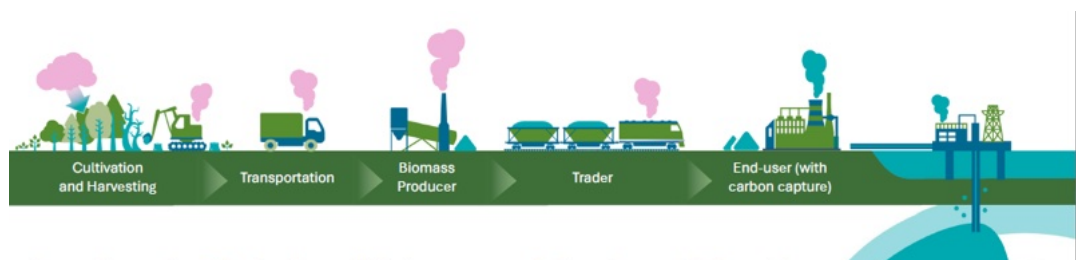
\* Salmisaari district heating power plant in Helsinki, Finland, following its conversion from coal to wood pellet combustion. The circled stack highlights the pellet-based system equipped with advanced flue gas condensing technology.

- Innovation across the value chain is accelerating, including:
  - Integration of carbon capture systems into biomass plants
  - Development of advanced biomass heating systems and hybrid solutions
  - Expansion of decentralized and modular pellet systems for emerging markets (e.g., clean cooking applications)
- Pellet markets are diversifying geographically and by application, with notable developments including:
  - Emerging demand in developing markets driven by clean cooking and decentralized energy solutions
  - Industrial and agricultural applications (e.g., tobacco curing in Brazil) creating new large-scale demand streams
  - Continued growth and restructuring in European markets, including supply chain adjustments following forest disturbances and evolving raw material availability



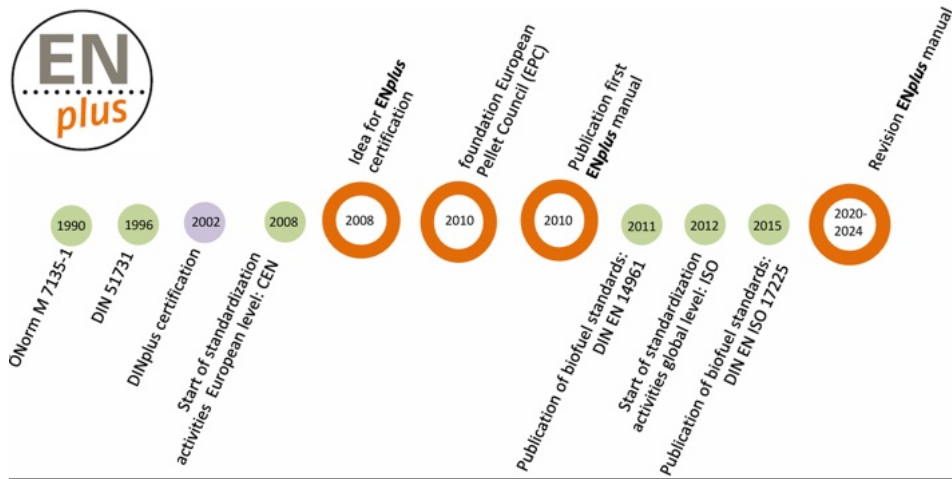
\*Germany, as one of Europe’s most mature pellet markets, provides a clear example of stable demand growth supported by strong domestic consumption and established supply chains.

- Certification, traceability, and regulatory compliance are becoming increasingly critical, driven by:
  - Requirements under REDIII, EUDR, and emissions reporting frameworks
  - Growing importance of certified supply chains and sustainability verification systems (e.g., SBP, ENplus) to support market access and credibility



\*The end-to-end biomass supply chain, from forest sourcing and harvesting through transportation, production, trading, and final end-use. It highlights the importance of traceability and data collection at each stage to ensure compliance with sustainability, legality, and emissions reporting requirements.

- Standardization and quality assurance remain key enablers of market growth, with ENplus continuing to evolve toward more comprehensive and risk-based approaches to certification, reflecting the increasing maturity and scale of the pellet industry.



\* Evolution and expansion of the ENplus certification system, reflecting increasing quality requirements and market maturity in the pellet industry.

- Global pellet supply chains are becoming more complex and interconnected, with increasing emphasis on:
  - Scaling production to meet growing demand
  - Structuring markets to ensure long-term supply reliability
  - Enhancing logistics efficiency and reducing costs
 These trends highlight the importance of international partnerships and trade relationships.
- A consistent message across sessions was that pellets are no longer a niche fuel, but a core component of the energy transition, particularly in sectors where alternatives are limited. Their role is expanding from traditional heating into integrated energy systems and bioeconomy applications.



## RECOMMENDATIONS

- Maintain and strengthen engagement with Bioenergy Europe—as a board member, general member, and active participant in key working groups—to contribute to the development of EU policies, regulations, and standards impacting bioenergy. Priority areas include REDIII implementation, EUDR, carbon market frameworks, and evolving sustainability and certification requirements.
- Enhance strategic communications and market positioning efforts to reinforce Canada’s reputation as a reliable supplier of high-quality, sustainable, and low-GHG wood pellets, targeting policymakers, regulators, and industry stakeholders across European and global markets.
- Strengthen collaboration with international partners and like-minded countries, supporting alignment on standards, sustainability frameworks, and market development initiatives, including growing cooperation between Canada and the EU.
- Expand market intelligence and monitoring efforts to track developments in both established and emerging markets, including European bio-heat markets and new growth segments such as BECCS, biochar, industrial decarbonization, and bio-based products, as well as geographic expansion in regions such as Central and Eastern Europe and emerging global markets.

## POSITIVE NARRATIVES CREATE WIDER ACCEPTANCE

Communicating the value of wood pellets and bioenergy remains critical in an increasingly complex environment shaped by climate targets, evolving regulations, and competing energy narratives. The 2026 European Pellet Conference once again reinforced the importance of clear, consistent, and evidence-based communication to support broader acceptance of biomass across policymakers, industry, and the public.

Austria continues to stand out as a leading example of effective sector communication and policy alignment. Through coordinated efforts between government, industry, and organizations such as the OÖ Energiesparverband, the region has successfully positioned biomass as a mainstream, reliable, and cost-effective energy solution. This is reflected in the high penetration of biomass in the heating sector, supported by a strong domestic manufacturing base for modern bioenergy systems.

Key success factors highlighted in 2026 include:

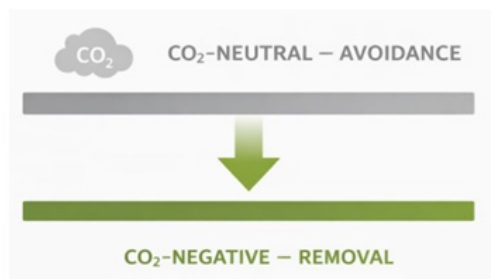
- Integrated policy frameworks, combining financial incentives, regulatory clarity, and long-term planning
- Strong and sustained communication strategies, emphasizing affordability, energy security, and climate benefits
- Close alignment between supply chain development and market growth, ensuring availability of equipment, fuel, and services

The conference also emphasized that the narrative around biomass is evolving. Beyond its traditional role in heating, pellets are increasingly being positioned as:

- A solution for industrial decarbonization and hard-to-abate sectors
- A carbon management tool through BECCS, biochar, and negative emissions pathways
- A key component of integrated energy systems, supporting reliability alongside intermittent renewables

**From emission avoidance to climate impact**

- CO<sub>2</sub>-neutral = a necessary step
- CO<sub>2</sub>-negative = the next level
- Effective climate action requires both



Lessons for Canada and other exporting countries include:

1. Clearly quantify and communicate the full value proposition of pellets, including cost competitiveness, emissions reductions, energy security, and emerging carbon benefits.
2. Target communications to specific end-user segments and decision-makers, including municipalities, industrial users, and policymakers.
3. Ensure supply chain readiness alongside market development, including fuel availability, infrastructure, and technology deployment.
4. Advocate for coordinated policy packages, combining incentives, stable regulations, carbon pricing mechanisms, and strong communications.

A consistent message across sessions was that momentum matters—countries that align policy, industry, and communications can rapidly scale biomass adoption and unlock both domestic and international market opportunities.

**LEAD GENERATION**

Fahimeh Yazdan Panah met numerous existing and potential important contacts:

	Name		Organization
1	Gerhard	Dell	OO Energiesparverband
2	Sergey	Matvejev	BECCHEM Lubrication Technology
3	Nigel	Baker	Redeemed Bioenergy Inc
4	Andre	Bedard	Quebec Wood Export Bureau
5	John	Swaan	FutureMetrics
6	Ivan	Derkink	Bright Renewables
7	Robert	Mack	Technologie- und Förderzentrum (TFZ)
8	Hans Martin	Behr	Deutsches Pelletinstitut

	<b>Name</b>		<b>Organization</b>
9	Jan	Habart	Czech Association for Biomass
10	Steven	Morris	Nobio / Solør Bioenergi
11	Karin	Krondorfer	OO Energiesparverband
12	Biljana	Kulišić,	European Commission, DG Energy
13	Bharadwaj	Kummamuru	World Bioenergy Association
14	Christiane	Egger	OO Energiesparverband
15	Werner	Emhofer	Froling, Österreich
16	Ketaki	Kokil	Ecosense Appliances
17	Jouni	Koskinen	Valmet Technologies
18	Martin	Bentele	Deutscher Energieholz- und Pellet-Verband (DEPV)
19	Gilles	Gauthier	Hawkins Wright, Belgium
20	Jose Carlos	Haas Junior	Haas Madeiras
21	Unggung	Widhiantoro	IREEM
22	Christoph	Ebetshuber	Guntamatic Heiztechnik
23	Herbert	Schwarz	Hargassner
24	Magnus	Schou	CM Biomass
25	Gerhard	Kroiß	Deputy Mayor
26	Filip	Dumitriu	FEDARENE - European Federation of Agencies and Regions for Energy and the Environment
27	Anna	Soressi	FEDARENE - European Federation of Agencies and Regions for Energy and the Environment
28	Mélissa	Miklos	FEDARENE - European Federation of Agencies and Regions for Energy and the Environment
29	Jessica	Di Mario	Università degli Studi di Perugia
30	Alberto Maria	Gambelli	Università degli Studi di Perugia
31	Francisco	Puente	Escan energy consulting
32	Vlasta	Krmelj	Energy and Climate Agency of Podravje
33	Marco	Costa	Agency for Energy and Sustainable Development
34	Olimpia	Nicolae	Community Energy Coalition
35	Savvas Vlachos		Director at Cyprus Energy Agency
36	Christine	Öhlinger	OO Energiesparverband
37	Hubert	Röder	University of Applied Sciences, Germany
38	Hansjörg	Lerchenmüller	Biochar Europe
39	Stefan	Ortner	ÖkoFEN
40	Niel	Christian Bang	IEA Bioenergy/Ea Energy Analyses
41	Georg	Reis	Technic One Engineering
42	Etienne	Vienot	Auvergne-Rhône-Alpes Energy Environment (AURA-EE)
43	Diana	Paunova	SEA SOFENA

## SHARING INFORMATION WITH CANADIAN PELLET SECTOR

WPAC has shared this report and its observations and recommendations with over 70 companies, including WPAC members. The report is anticipated to be shared, reaching more than 200 key Canadian industry leaders.