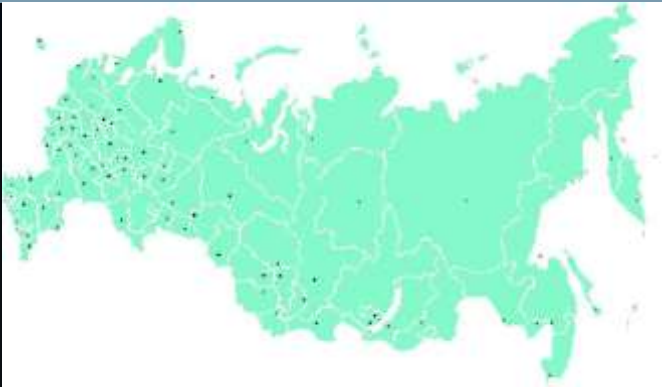


# The Russian pellet market

**Dr. Olga Rakitova**

**The National Bioenergy Union ,  
The Bioenergy International. russla  
INFOBIO**

24th of May 2017



Deutsche Messe

Making more out of wood

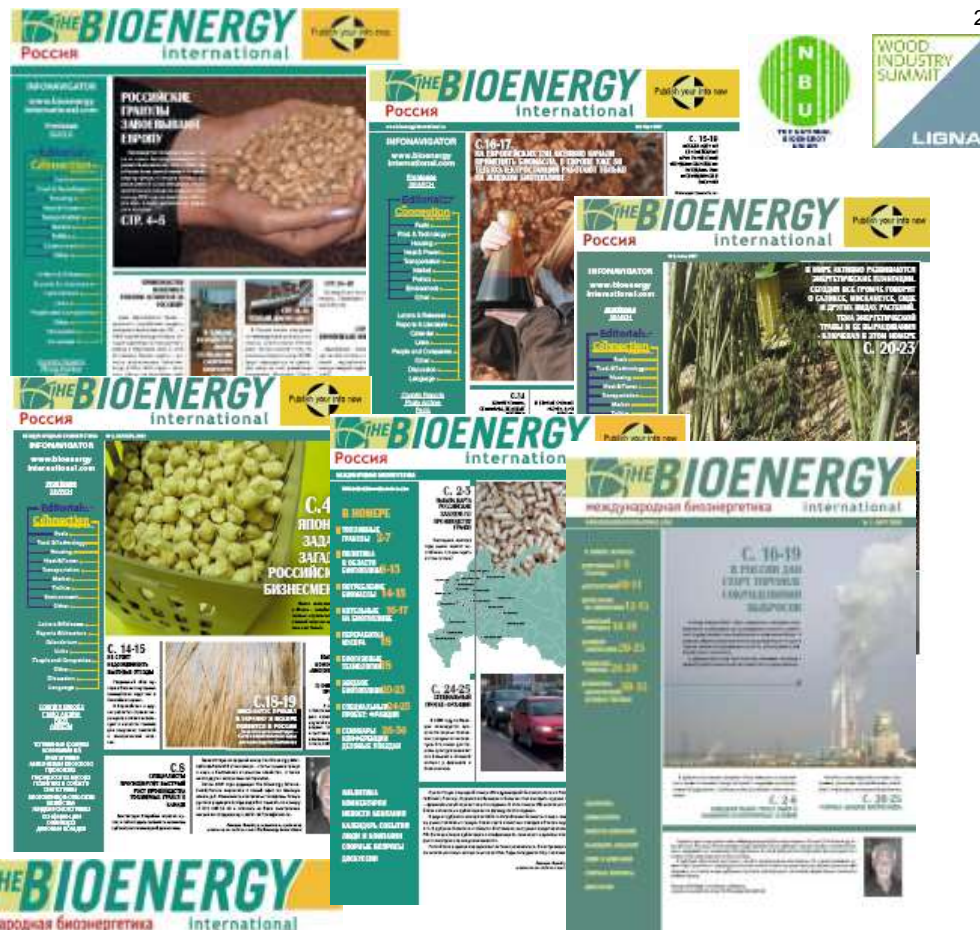
**LIGNA**

# The Bioenergy International. Russia

The Bioenergy International. Russia is the only specialized magazine about pellets, briquettes and bioenergy in Russia

More info:

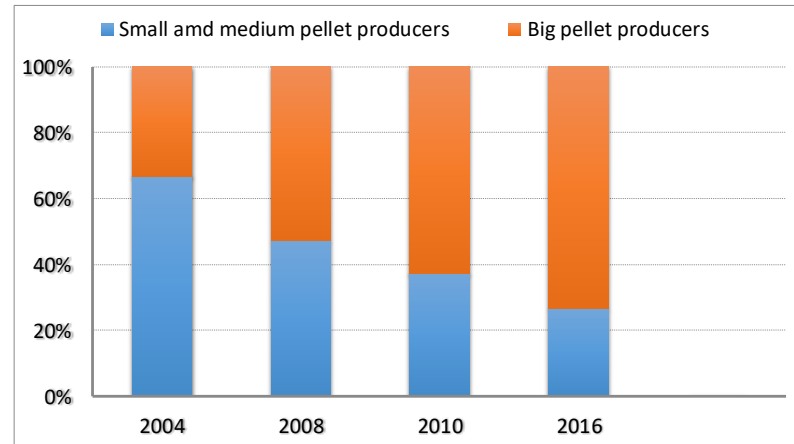
[www.infobio.ru](http://www.infobio.ru)





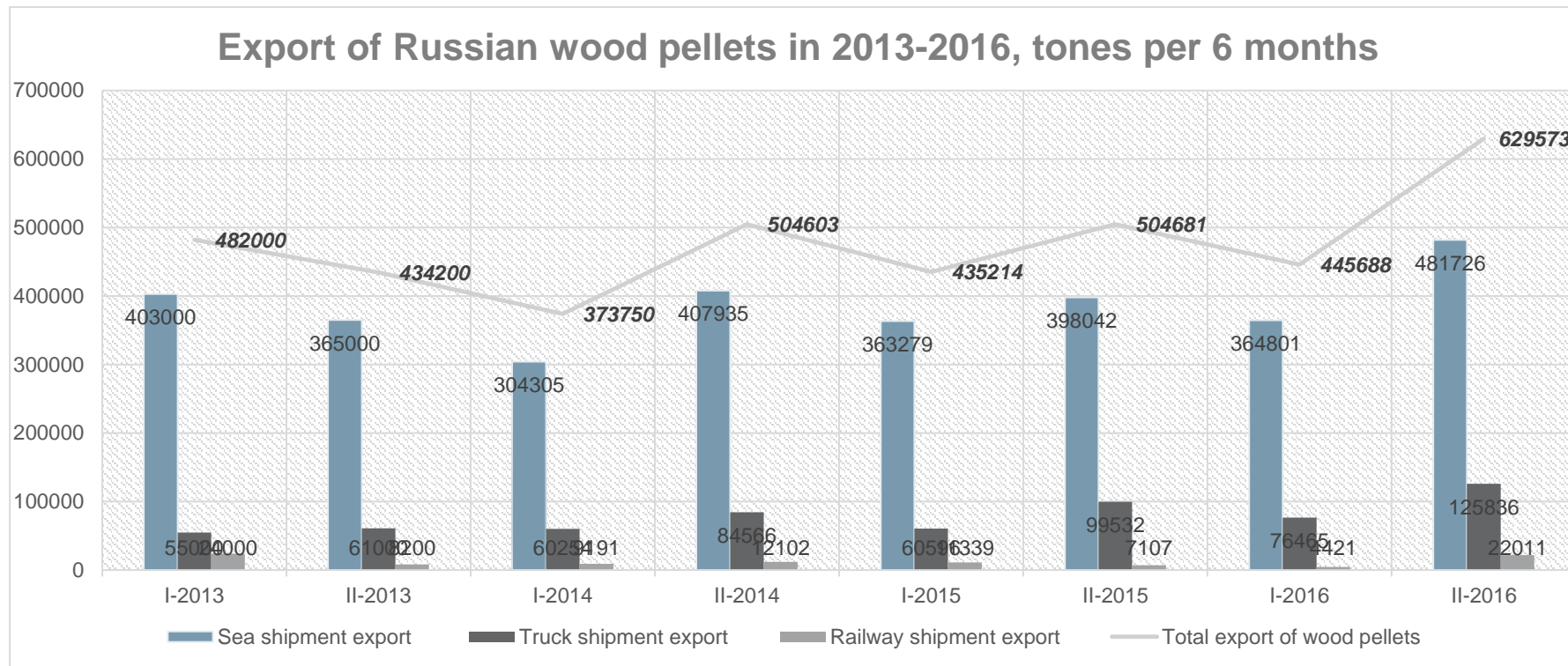
## The main opportunities

1. The pellet production is increasing in Russia but we can't compare it with the same in the USA or Canada
2. Russian pellet export increases for 10-15% every year
3. Pellet production becomes profitable in Siberia in the middle of Russia in 2014-2017





## Export of Russian wood pellets



# The map of several big pellet produces which export about 70% of pellets



Arkaim from Far East exports to S.Korea. Some North-West companies tried to export pellets in containers from North-West harbors to South Korea in 2013-2014. It was stopped in 2015-2016 due to political sanctions consequences as lack of free containers





## The biggest pellet producers in Russia

1. ООО SP Arkaim (ООО «LAN») – Khabarovskiy kray
2. ZAO «Lesozavod 25», OAO «LDK-3» - Arkhangel'skaya oblast'
3. ООО «DOTS Plyus» – Bryanskaya oblast'
4. ZAO «Novoyeniseyskiy LKHK» – Krasnoyarskiy kray
5. OAO «DOK Yenisey» – Krasnoyarskiy kray
6. ООО «Sibirskiye toplivnyye granuly» - Irkutskaya oblast'
7. ООО "RUSFOREST MAGISTRAL'NYY» – Irkutskaya oblast'
8. ООО «Lesresurs» – Irkutskaya oblast'
9. ООО «IKEA Industri Tikhvin» - Lenoblast'
10. ООО «Setново» (Novgorodskaya oblast')
11. ООО «Khasslakherles» (Novgorodskaya oblast')
12. ООО «Ikea Industri Tikhvin» (Lenoblast')
13. ООО «Russkiy lesnoy al'yans» (Kareliya)
14. ООО «Vyborgskaya lesopromyshlennaya korporatsiya» (Lenoblast)

# The Russian pellet production is developing



1. Several new plants with annual pellet production capacity from 30 000 till 120 000 tons are opened in Irkutsk region in 2015-2016
2. The goal of Irkutsk region is to produce 500 000 tons per year of pellets
3. The new big pellet producers started pellet production in Archangelsk region (North-West of Russia) in 2014-2016.
4. The goal of Archangelsk region is to produce 500 000 tons per year of pellets.
5. Russian annual export is more than 1 000 000 tons of pellets to the European Union and it increases for 10-15% annually
6. South Korean market is the second but not as big as EU market for Russian producers.



## Irkutsk region is located in Siberia in the center of Russia

Irkutsk pellets are exported to Europe mostly. Some volumes are transported to and South Korea but the EU market is more attractive due to good prices and logistics.

Pellets plants are certified EN-Plus and SBP.

Irkutsk is in the middle of Siberia as well as Krasnoyarsk which export about 100 000 tons of pellets to EU by railway and sea.

Pellets are transported to St.Petersburg harbors by railway and are exported by sea to Denmark, Sweden, Germany and other EU countries.

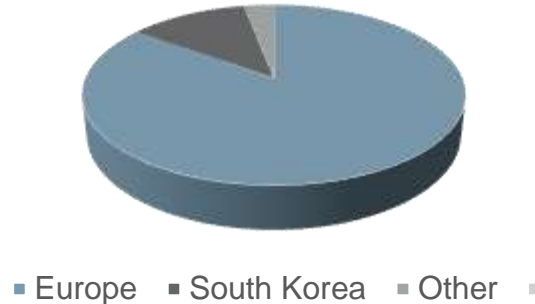




## The main markets

1. Europe is the main market for Russian pellet producers (85%)
2. South Korea is the second attractive market for Russians (12%)
3. Other markets (as China) are under research so far (3%)

### The Russian pellet export to different countries



# EU countries are the main Russian pellet consumers



Denmark, Sweden South Korea and Netherlands are the main European consumers of the Russian pellets. They import pellets by sea

Germany, Italy and Finland prefers trucks.



Source: The analytical report of the Russian pellet market issued by INFOBIO

<b>Countries-importers</b>	<b>Import volumes, tons per 2016</b>
Denmark	397888,48
Sweden	130991,74
South Korea	129374
Netherlands	93313,57
Italy	62306,95
United Kingdom	55050,22
Finland	51153,11
Latvia	43315,49
Lithuania	30836,97
Belgium	25993,81
Germany	20484,38
Estonia	9556,71
<b>Total</b>	<b>1075164</b>



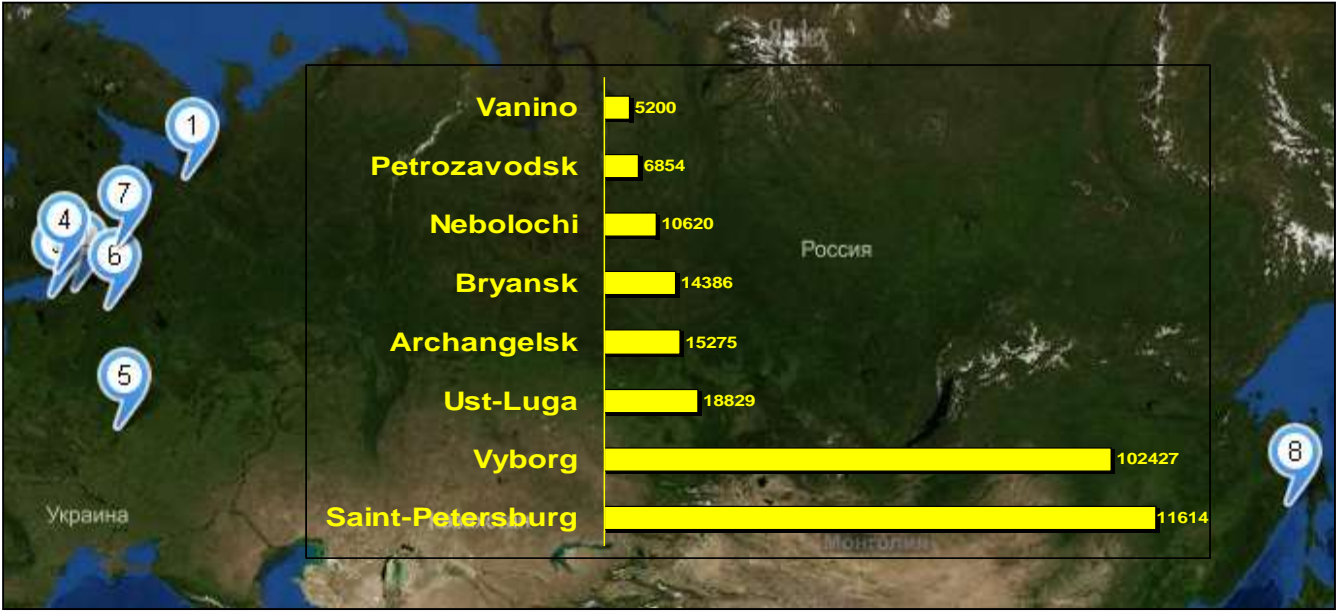
## The biggest pellet importers of the Russian pellets

Pellet consumers	Volume tons per year
Total volume in 2016 tpa	1075164
CM BIOMASS PARTNERS A/S	265731
Kaymar (South Korea)	125302
ENGIE Energy Management scrL.	94132
AB FORTUM VARME SAMAGT MED STOCKHOLM STAD	86269
VAN LEER ENERGY B.V.	60709
LDG FOREST GROUP	51972
AARHUS KARLSHAMN SWEDEN AB	30061
TIMBERHOF GMBH	25245
DONG ENERGY THERMAL POWER A/S	21204

Source: The analytical report of the Russian pellet market issued by INFOBIO



# The main export points in Russia



# Ust-Luga is opened the first pellet warehouse in the Russian harbor



1. The special pellet warehouse is opened in the port of Ust-Luga in September 2014.
2. It is the first special warehouse in the Russian port which is constructed specially for pellets. It is 100% used by Fortum
3. CM Biomass constructed the same warehouse in the harbor of Saint-Petersburg in 2015-2016





## Main points 2017

1. European companies import more and more Russian pellets
2. Russian pellet producers receive Enplus and SBP certificates.
3. The Russian Export Center supports the European certification of the Russian pellet producers by giving subsidies of the Russian government (a supported document was issued in December 2016)
4. Japanese companies are very interested in Russian pellets, South Korean companies buy Russian pellets already, but the Europe is the main consumer of Russian pellets still.
5. Thanks to the increase of Euro rate to Rubble, export of pellets is more profitable now.
6. Russian producers of machinery became more competitive thanks to low costs.
7. Export of pellets from Siberia became profitable both ways – Europe and South Korea.
8. Russian companies are looking forward to finding new partners.





## The analytical report about the Russian wood pellet market from INFOBIO

1. The Analytical report about the Russian wood pellet market is issued twice a year by INFOBIO
2. Welcome to subscribe it by e-mail: [info@infobio.ru](mailto:info@infobio.ru)
3. More info is here: [www.infobio.ru](http://www.infobio.ru)



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1. **CONFERENCE “ENERGY FROM BIOMASS: BIOMASS BOILERS AND POWER STATIONS, PRODUCTION OF PELLETS, BRIQUETTES AND BIOGAS IN RUSSIA AND WORLDWIDE”**
2. **8<sup>TH</sup> OF JUNE, MOSCOW**
3. Everybody is there! Send your applications by [info@infobio.ru](mailto:info@infobio.ru)

*In the framework of WasteTEK fair, Crocus-Expo*





Thank you for your attention! Questions?

## The Russian pellet market



**Dr. Olga Rakitova**

**The National Bioenergy Union ,  
The Bioenergy International. russla  
INFOBIO**

**tel. +7 812 356 55 88**

**Rakitova@infobio.ru**

**www.infobio.ru**