

Wood Pellets Market Expected to Grow to USD 21.12 Billion by 2029 with a CAGR of 12.2%

The Business Research Company's Wood Pellets Market Expected to Grow to USD 21.12 Billion by 2029 with a CAGR of 12.2%

LONDON, GREATER LONDON, UNITED KINGDOM, December 5, 2025

/EINPresswire.com/ -- "The demand for wood pellets has been rising rapidly,

driven by a growing global focus on renewable energy sources and sustainability. As concerns about environmental impact and energy efficiency increase, wood pellets are becoming a preferred choice in various sectors. Let's delve into the current market size, key driving forces, leading players, emerging trends, and regional insights shaping the wood pellets industry.



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*The Business Research
Company*

Market Size and Growth Outlook for the Wood Pellets Market

The wood pellets market has witnessed significant growth recently, with its value expected to rise from \$11.96 billion in 2024 to \$13.32 billion in 2025. This reflects a compound annual growth rate (CAGR) of 11.3%. Looking ahead, the market is forecasted to expand even more quickly, reaching \$21.12 billion by 2029, at a CAGR of 12.2%. This

robust growth is fueled by various factors including carbon pricing policies, efforts to reduce emissions, expanding global trade and export possibilities, an increase in residential use, and rising demand in the power generation sector. Additionally, advanced pellet production technologies, sustainable raw material sourcing, certification standards, ongoing research and development, and strategic partnerships are expected to play important roles in shaping the market throughout the forecast timeline.

Download a free sample of the wood pellets market report:

<https://www.thebusinessresearchcompany.com/sample.aspx?id=7834&type=smp>

Renewable Energy Demand as a Primary Growth Driver

One of the main forces propelling the wood pellets market is the rising global appetite for

renewable energy. Wood pellets, produced from various types of wood waste, represent a sustainable energy source that replenishes faster than it is consumed. According to data from the Energy Information Administration released in June 2023, renewable energy consumption in the United States increased from 12.1 quads in 2021 to 13.2 quads in 2022. This increasing reliance on renewables supports broader adoption of wood pellets as a clean energy solution worldwide.

Additional Factors Boosting Market Expansion

Besides rising renewable energy demand, other important contributors include improvements in pellet production efficiency and growing awareness of carbon emission reduction goals. The expanding power generation industry and increased residential usage further support market growth. Together, these factors create a strong foundation for sustained expansion in the wood pellets sector.

Prominent Companies Leading the Wood Pellets Sector

Key participants in the wood pellets industry include:

- Enviva Inc.
- Energex American Inc.
- Graanul Invest AS
- Pinnacle Renewable Energy
- Fram Renewable Fuels LLC.
- Segezha-Group
- Lignetics Inc.
- Asia Biomass Public Company Limited
- Sinclair Group Forest Products
- Wood Pellet Energy UK Ltd.

Innovative Trends and Technological Advancements in Wood Pellets

Leading companies are innovating by developing industrial pellet mills to enhance production efficiency, reduce costs, and improve environmental sustainability through better sourcing of raw materials. Industrial pellet plants produce biomass pellets known for their high energy density and eco-friendly nature. These pellets are widely used in renewable energy applications and contribute to sustainability efforts due to their convenient handling and storage.

For example, in December 2022, Golden State Natural Resources, a US-based nonprofit, launched two industrial wood pellet projects. The Tuolumne facility aims to produce 300,000 tons annually, while the Lassen site targets 700,000 tons per year, both focusing on sustainably sourced biomass. The pellets will be transported by rail to ports for export to customers utilizing bio-based fuels for power generation. An Environmental Impact Report (EIR) is planned to assess any potential environmental consequences after public review.

Detailed Segmentation of the Wood Pellets Market

The wood pellets market analysis is divided into several critical segments:

1) By Feedstock:

- Forest and Wood Waste Resources
- Agricultural Residue and Waste
- Food Waste
- Virgin Lumber
- Energy Crops

2) By Production Process:

- Sawdust Preparation
- Screening
- Hammering
- Pelletizing
- Cooling and Packaging

3) By Application:

- Heating
- Power Generation
- Combined Heat and Power (CHP)

4) By End-User:

- Residential
- Commercial
- Industrial

Further breakdowns include:

- Forest and Wood Waste Resources: Sawdust, Wood Chips, Bark
- Agricultural Residue and Waste: Straw, Corn Stover, Rice Husk
- Food Waste: Food Processing Waste, Organic Waste
- Virgin Lumber: Logs, Wood Shavings
- Energy Crops: Miscanthus, Switchgrass, Short Rotation Woody Crops

View the full wood pellets market report:

<https://www.thebusinessresearchcompany.com/report/wood-pellets-global-market-report>

Regional Market Leadership and Growth Patterns

In 2024, Europe maintained its position as the leading region in the wood pellets market. However, the Asia-Pacific region is forecasted to register the fastest growth during the coming years. The report offers a comprehensive regional overview, covering Asia-Pacific, Western Europe, Eastern Europe, North America, South America, and the Middle East and Africa, providing valuable insights into global market dynamics.

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Speak With Our Expert:

Saumya Sahay

Americas +1 310-496-7795

Asia +44 7882 955267 & +91 8897263534

Europe +44 7882 955267

Email: saumyas@tbrc.info

The Business Research Company - www.thebusinessresearchcompany.com

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Oliver Guirdham

The Business Research Company

+44 7882 955267

info@tbrc.info

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