

## Result of the SWOT analyses, internal and external issues characterising biomass supply chain for wood pellets in Styria

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### Internal strengths

- S1. High quality of pellets – often higher the EN-requirements
- S2. Short transport routes in procurement and distribution
- S3. Local/regional availability of feedstock
- S4. Price difference to fossil energy carriers
- S5. Good customer contact and customer service

### External opportunities

- O1. Growing market
- O2. Increasing demand for industrial pellets
- O3. Development and establishment of new technologies (rounded pellets, torrfaction)
- O4. Increasing demand on heat contracting
- O5. Lower taxation on pellets
- O6. Expansion of raw material basis (wood chips, round wood, used wood )

### Internal weaknesses

- W1. Low storage capacities of pellet producers and traders
- W2. Anti-cyclical seasonality of feedstock procurement/production and demand
- W3. Dependency of feedstock procurement on production of sawmill industry
- W4. Low anticipation of the development of demand

### External threats

- T1. Long-term security of supply not ensured
- T2. Increasing feedstock price (shortage due to increasing competition with material use)
- T3. Changes in subsidies (increase of taxation resp. implementation of energy fee)
- T4. Restrictive capital market
- T5. Short-term orders by customers