

WOOD FUELS IN ENERGY GENERATION IN FINLAND

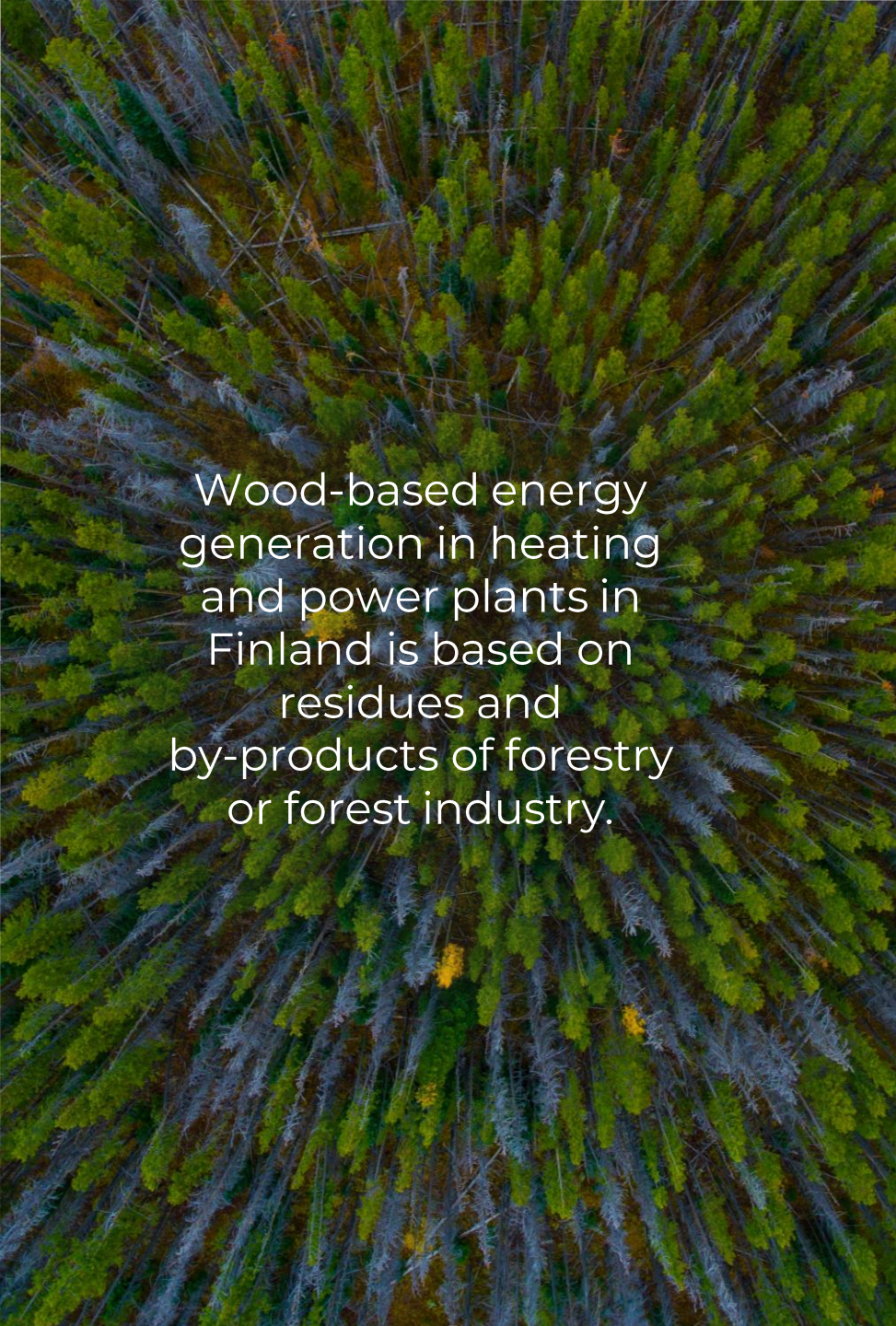
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Ministry of Agriculture and Forestry of Finland

BY-PRODUCTS OF FOREST INDUSTRY ARE AN IMPORTANT SOURCE OF ENERGY IN FINLAND

Bioenergy production in Finland is largely integrated into forestry and forest industry.



Wood-based energy generation in heating and power plants in Finland is based on residues and by-products of forestry or forest industry.

When roundwood is processed in the forest industry, energy is derived in many phases.

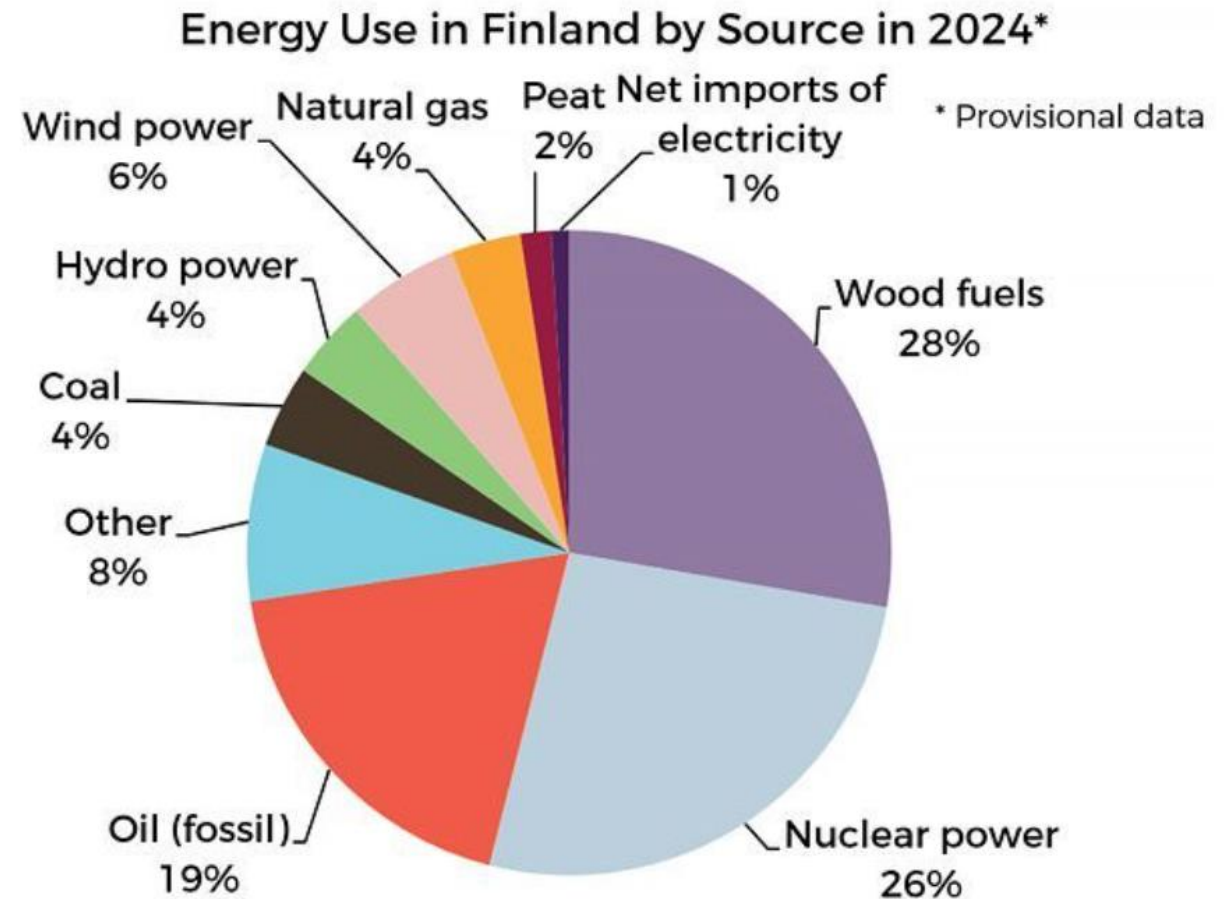
Wood fuels represent the most important single energy source in Finland.

Wood fuels are the largest single energy source in Finland. In 2024, 100 TWh of energy was produced with wood fuels. Wood fuels accounted for 28% of total energy consumption. More energy was produced with wood fuels than with oil or coal, for example.

The increase in wood-based energy has resulted especially from the increased use of black liquor produced by forest industries.

WOOD FUELS ACCOUNTED FOR 28% OF TOTAL ENERGY CONSUMPTION IN 2024

In 2024, Finland's total energy consumption amounted to 359 TWh. Wood fuels accounted for 28% of this. Wood fuels have been the largest single energy source in Finland for the past decade. Nuclear energy produced next most energy (27%) and oil (19%) in 2024.



Total energy consumption in Finland in 2024. Source: Official Statistics of Finland (SVT): Energy supply and consumption. Source of picture: MOTIVA

SOLID WOOD FUELS ARE USED FOR HEAT AND POWER GENERATION

Major share of solid wood fuels are derived from the by-products of the forest industry, including bark, sawdust and other industrial wood residues.

Also logging residues or other low value biomass from silvicultural and harvesting operations are used for energy generation. The branches and tree tops can be collected from regeneration areas and used for energy generation. Also small-sized stems e.g. from young stand tending sites are used for energy.

In 2024 heating and power plants consumed 22 million solid cubic metres of solid wood fuels. This equals to 43.1 terawatt-hours.

In 2024, volume of various solid forest industry by-products was 10.1 million cubic metres. The main industrial by-product was bark, accounting nearly for two thirds, and the rest were sawdusts and industrial chips.

In 2024, the consumption of forest chips at heating and power plants was 10,5 million cubic metres.



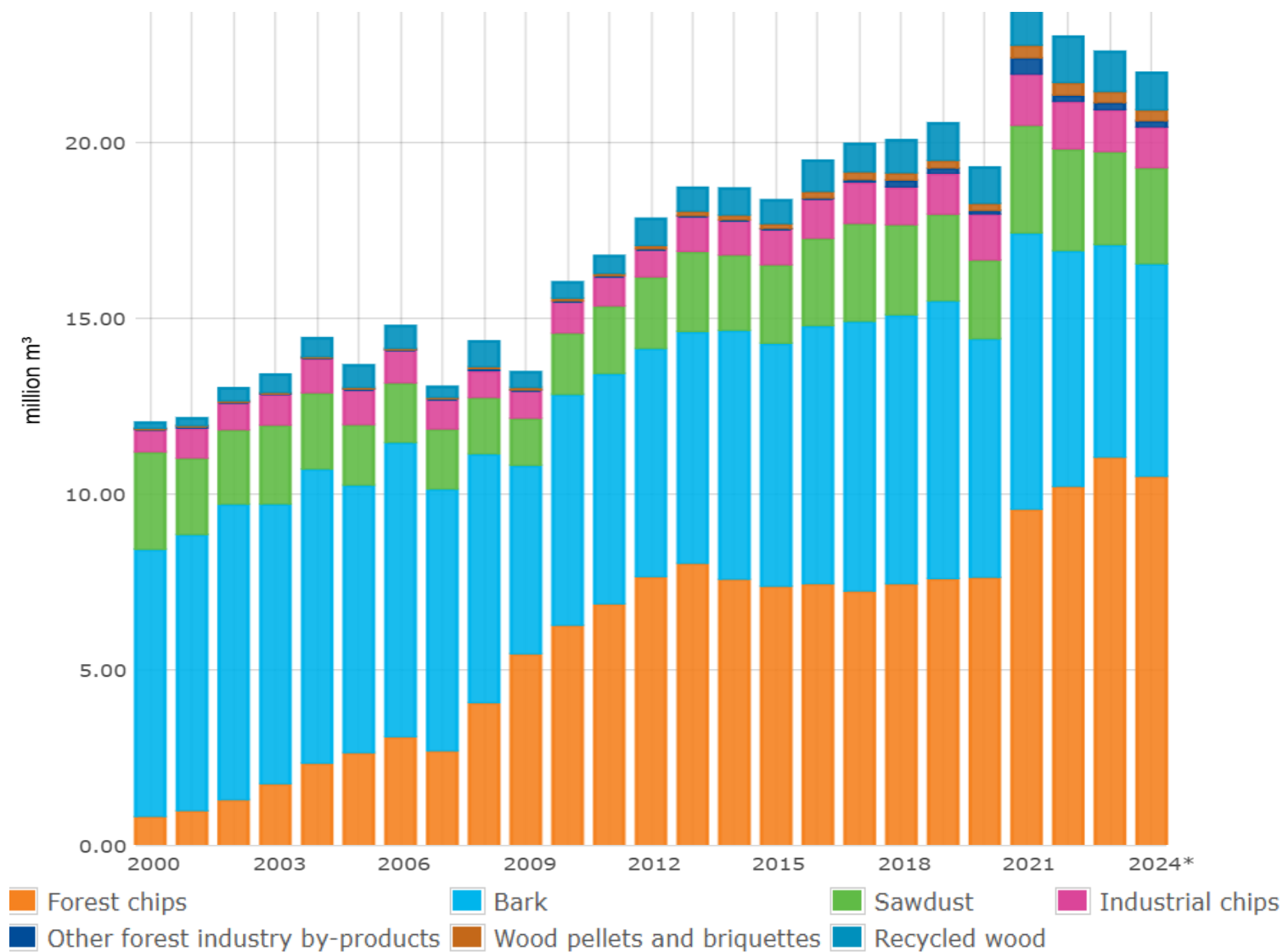
Kuva: Metsähallitus

Photo: Erkki Oksanen/Luke

The annual use of bark, sawdust and industrial chips in energy production varies. The amount is related to consumption of roundwood in the forest industry.

SOLID WOOD FUEL CONSUMPTION 2000-2024

According to the preliminary data, in 2024, heating and power plants consumed a total of 22 million solid cubic metres (43.1 terawatt hours) of solid wood fuels.



Solid wood fuel consumption in heating and power plants

Source: Natural Resources Institute Finland (Luke)

MAIN SOURCE OF FOREST CHIPS IN FINLAND IS SMALL-DIAMETER WOOD



Around four to five per cent of Finland's total energy consumption has been produced annually with forest chips.

Kuva: Eekki Oksanen

The term 'forest energy' generally refers to energy derived from logging residues, small-sized wood and stumps, also known as energy wood or forest chips. Normally branches, crowns and small-sized stems gathered from the forest are chopped into chips before use.



In 2024, the consumption of forest chips at heating and power plants was 10,5 million cubic metres. The majority of the forest chips, 7,6 million cubic metres, was manufactured from small-diameter trees or other roundwood. The use of logging residues was 2,7 million cubic metres. Use of stumps has been decreasing in past years and was 0.2 million cubic metres in 2024.

WOOD FUELS ARE TYPICALLY USED IN COMBINED HEAT AND POWER PLANTS

Combined heat and power (CHP) production has a long tradition in Finland.

Combined heat and power generation is energy-efficient. The part of the fuel's energy that cannot be converted to electricity is recovered as heat.

Kuva: Erkki Oksanen

Typically, solid wood fuels are used in highly efficient district heating (DH) systems and combined heat and power (CHP) plants. Most of these rely on direct combustion, but the most modern CHP plants use fluidised bed boiler or circulating fluidised bed technology to gasify a wider range of low-quality forest residues. Gasification also allows forest residues to displace coal in coal-fired CHP plants, which cannot use residues directly.



Typical multifuel CHP plant in Finland. Photo: VTT

In Finland, about three-quarters of district heat production is based on combined heat and power (CHP) generation. Correspondingly, one-third of electricity is obtained in CHP generation.

TRADITIONAL USE OF FIREWOOD IS ALSO REMARKABLE

In Finland, the small-scale use of wood for heating in residential houses, summer cottages and farms is also a significant part of the bioenergy mix. The small-scale combustion of fuelwood by households and farms is around 6.5 million cubic metres annually. The natural resources Institute Finland conducts surveys to assess the use of firewood in households every few years.

A hundred years ago, the majority of wood felled annually from Finnish forests was fuelwood. The use of firewood began to decrease rapidly, and after the Second World War the use of wood in the forest industry increased correspondingly.



In Finland most residential houses and summer cottages have a fireplace.



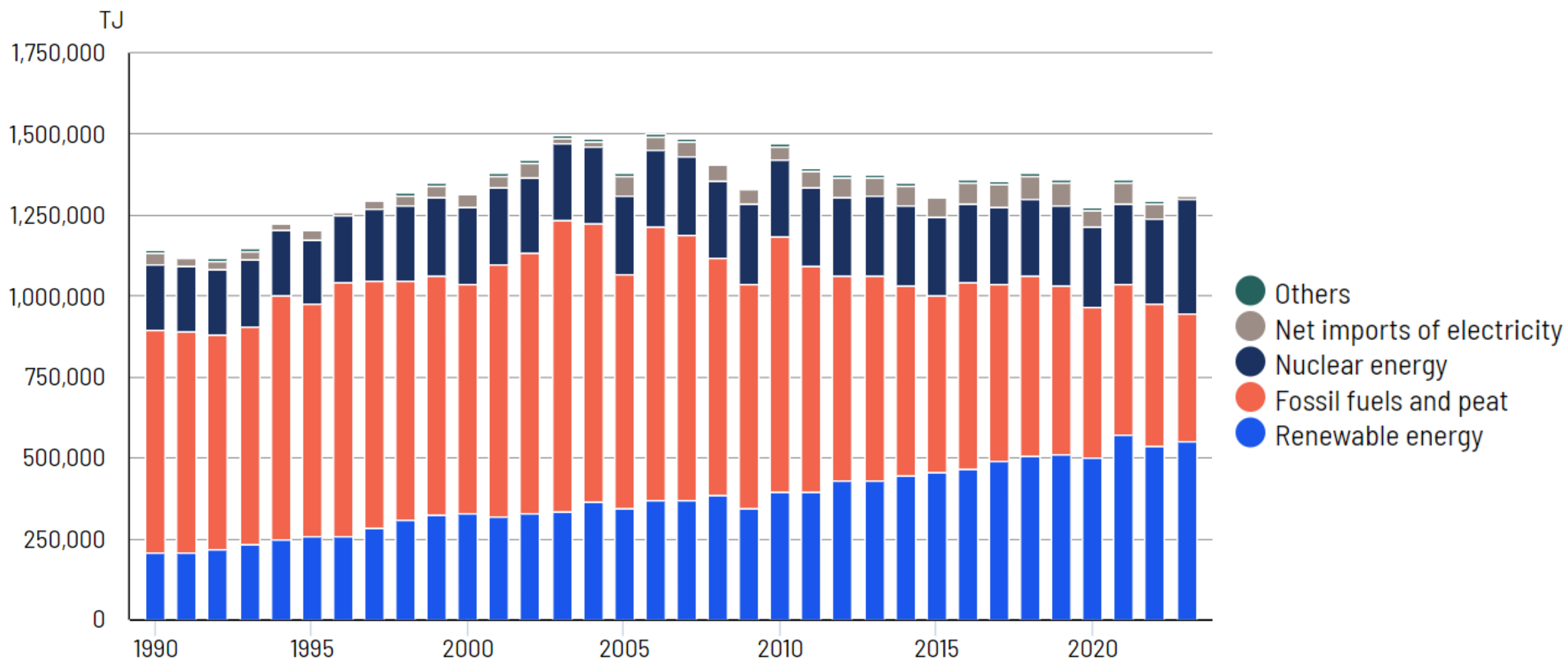
USE OF RENEWABLES HAS INCREASED STEADILY IN FINLAND

The key objective of promoting renewable energy is to reduce greenhouse gas emissions and to disengage from the energy system based on fossil fuels. The use of renewable energy also increases energy self-sufficiency and employment and supports the development of technology in the sector.

The most important renewable energy sources used in Finland are bioenergy, especially wood fuels derived from forest industry sidestreams and other wood-based fuels, hydro power, wind power and geothermal heat. Bioenergy is also obtained from biodegradable waste and side streams from agriculture, communities and industry. Other production methods based on renewable energy have also increased significantly in recent years.

The use of renewable energy sources in the production of electricity and district heating has increased rapidly in Finland in recent years. In 2024 share of renewable energy was 43 % of total energy consumption.

IN FINLAND SHARE OF RENEWABLES IS BIGGER THAN FOSSIL FUELS

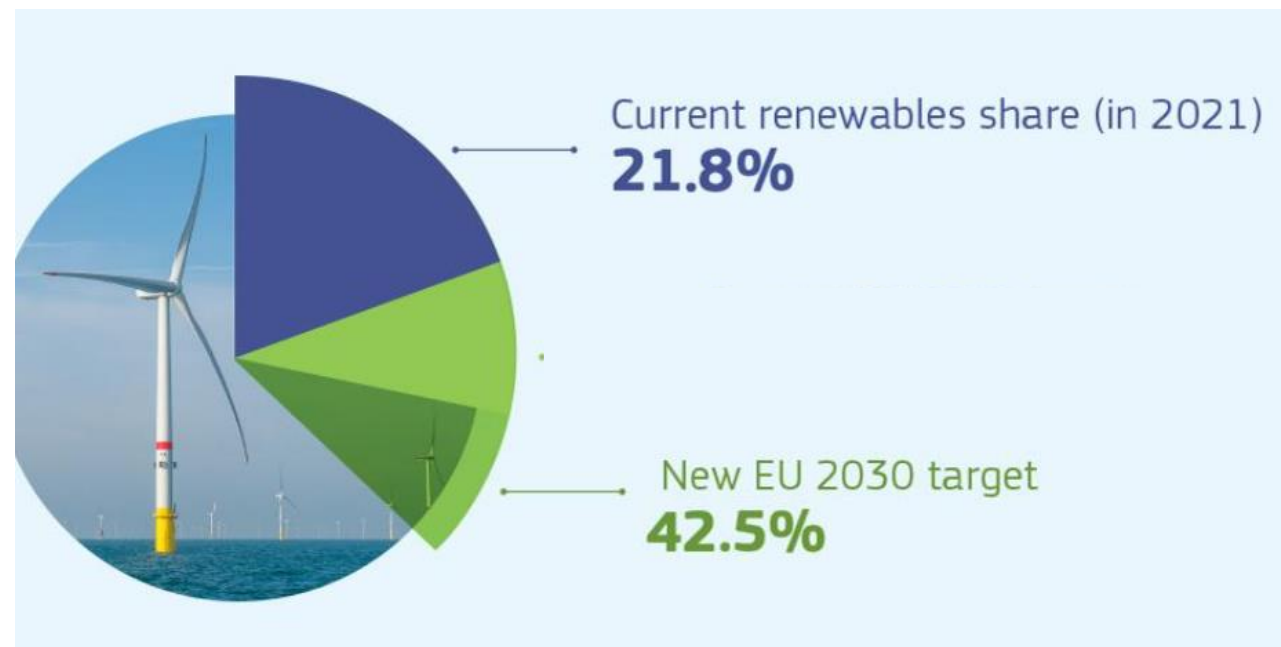


Source: [Statistics Finland](#)

EU HAS A TARGET FOR RENEWABLE ENERGY

The EU target for renewable energy production of gross final energy production is 42,5 % by 2030.

Finland has the second highest share of renewable energy in Europe.



The objective of the extensive legislative proposal package (fit for 55) published by the European Commission in July 2021 is to reduce greenhouse gas emissions from the EU by at least 55 per cent by 2030 from the 1990 level. The target set for 2030 for the share of renewable energy has been raised to 42,5 % due to the EU's new climate targets.



Ministry of Agriculture and Forestry of Finland

Ministry of Agriculture and Forestry
FI-00023 GOVERNMENT, FINLAND
Tel. +358 (0)295 16 001