



UNTAPPED POTENTIAL

Unlocking the Economic Potential of the Irish Sport Horse Industry

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EXECUTIVE SUMMARY AND KEY FINDINGS

Ireland has a strong reputation for the quality of its horses and the quality of its horsemanship. This is based on a long tradition and a natural advantage in the production of horses. This natural advantage derives from the climate; the grassland; the people and the long tradition of horsemanship in the country.

The horse sector in Ireland consists of two distinct components – the ‘Thoroughbred Sector’ and the ‘Sport Horse Sector’.

The Thoroughbred sector is very high profile. In 2016, the total direct and stimulated expenditure of the Irish Breeding and Racing Industry totaled €1.84 billion, with core industry expenditure comprising €914 million of this, with secondary expenditure of €927 million as the initial expenditure filters its way through the economy. Total employment from the core Irish Breeding and Racing Industry, off-course betting and arising from secondary expenditure resulted in 28,900 full time equivalent (FTE) jobs.

The success of the Thoroughbred Sector has been marked by a significant level of funding from the Government through the Horse and Greyhound Racing Fund. In Budget 2018, the Minister for Agriculture, Food and the Marine allocated €64 million to the horse racing industry.

The Sport Horse Sector in Ireland is a very broad and diverse sector consisting of many different activities, individuals and businesses. At the centre of the industry is the Irish bred Sport Horse. A Sport Horse is defined as ‘*a riding horse of a single breed or a combination of breeds used for (or intended to be used for) recreational and competitive activities other than racing*’.

The current sport horse population is estimated at 135,715 animals; there are 14,830 active breeders; 46,799 people are involved with sport horses; there are 14,057 full time job equivalents (FTEs) in the sector; and it makes a contribution of €816 million per annum to economic activity. The most important aspect of this contribution is that most of the jobs are rurally based. The sector supports considerable rural employment, heritage and social culture. The important point is that with increased funding and improved structures, this contribution could increase substantially.

While the Thoroughbred Sector is a significant recipient of State funding, the Sport Horse Sector receives annual State funding of less than €4 million.

While some Irish Sport Horses are performing very well on the world stage, and there is a good international trade for high quality Eventing horses that are well produced, it is clear that the overall Sport Horse Sector is not realizing its full potential and requires a clear strategy, targeted funding, and State endorsed structures to achieve the levels of success that the Thoroughbred Industry has attained.

Reaching New Heights and the Review of Certain Matters relating to Horse Sport Ireland by Indecon provide an important understanding of the issues facing the sector, what needs to be done to achieve its potential, and importantly the funding and the HSI structures necessary to allow the sector achieve its potential.

To make progress, it is very clear that the Sport Horse Industry must be organized in the most effective manner to achieve its full potential. A coordinated and united approach from all stakeholders is essential and assured – there is a high level of goodwill from all industry participants for a targeted, properly structured and resourced Government led initiative to drive the growth and development of the Sport Horse Sector in Ireland.

The key issues preventing the sector from achieving its potential include the lack of a clear strategic plan and a properly resourced governing body (HSI); the fragmented nature of the industry; the failure to recognize the tourism potential of the sector; top riders and breeders being forced to leave the country; the lack of adequate top-quality facilities and competitions; the lack of adequate prize money; logistical costs; promotion of the sport; breeding issues; and Brexit.

There is every reason to believe that if the proper funding and management structures are put in place, the sector could comfortably increase its economic and employment contribution by at least 50% within a decade.

This would translate into an increased contribution of over €400 million to the economy and an additional 4,800 direct jobs and 2,200 indirect jobs. The export contribution should be capable of being doubled from €48 million.

To achieve this potential a number of areas need to be addressed. These include, Infrastructure & Facilities; implementation of various recommendation from *Reaching New Heights* and the Indecon report; investment in Education; more support for Young Riders; Knowledge Transfer Programmes; understanding and adoption of Best International Practices; strong professional focus on Breeding; higher standard competitions; enhanced expertise; Central Intelligence Systems; greater focus on Horse Welfare; and greater public promotion of the sector. The success of the Netherlands provides a strong template.

To address these issues and to achieve its potential, it is very clear that funding needs to be allocated to facilitate the implementation of the Indecon Report on HSI, given the pivotal role that a fully functioning HSI will have in driving growth, development and change in the sector.

The Olympic Disciplines should be seen as the engine of growth, from which the rest of the industry will develop. Increased funding needs to be allocated to developing a limited number of high quality equestrian centres and infrastructure (€30 m over 5 years); prize money (increase of €3 m in annual budget); Breeding and a High-Performance Pathway (€5 million increase in annual budget); increase of €1.3 million in annual marketing budget; and increase of €2 m in annual budget for education. A multi annual programme is essential.

The success of the Thoroughbred sector shows what can be achieved in the Sport Horse Sector with adequate funding, proper structures, a unified strategic vision and approach from the various stakeholders; and a focus on quality and professionalism.

The most important point is that given a new strategic vision for the sector, a revised operational framework and a stronger economic contribution from the state, the sector has the potential to make an even more significant contribution. Part of the new focus for the sector must be to assist participants to focus on the business potential afforded by their own activities and to encourage them to maximize the potential exponentially.

Figure 1: Distribution of expenditure in the sport horse sector in 2016.

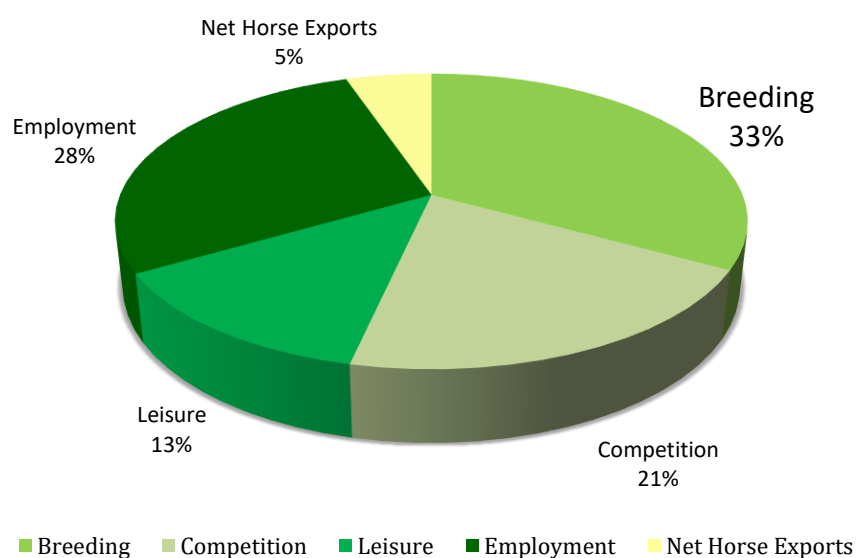


Figure 1 shows the breeding sector accounts for the largest portion of the sport horse industry expenditure at 33%, with competition contributing 20% and leisure 13%, and net exports accounting for 5%.



1. INTRODUCTION

Ireland has a strong reputation for the quality of its horses and the quality of its horsemanship. This is based on a long tradition and a natural advantage in the production of horses. This natural advantage derives from the climate; the grassland; the people and the long tradition of horsemanship in the country.

The horse sector in Ireland consists of two distinct components – the ‘Thoroughbred Sector’ and the ‘Sport Horse Sector’.

Traditionally most of the focus on the economic activity associated with horses in Ireland has been on the Thoroughbred Sector, which is comprised of owners, breeders and trainers of racehorses in Ireland. This sector has achieved significant national and international success and makes a strong national economic contribution. Deloitte (2017)ⁱ estimates that in 2016, the total direct and stimulated expenditure of the Irish Breeding and Racing Industry totaled €1.84 billion, with core industry expenditure comprising €914 million of this, with secondary expenditure of €927 million as the initial expenditure filters its way through the economy. Total employment from the core Irish Breeding and Racing Industry, off-course betting and arising from secondary expenditure resulted in 28,900 full time equivalent (FTE) jobs. The core breeding and racing industry is estimated to employ 9,500 FTE workers. This represents a very strong economic contribution.

Over the past six months, Irish racing had the first in the Melbourne Cup, 17 winners at the Cheltenham Festival, and the first 4 horses in the Aintree Grand National.

The success of the Thoroughbred Sector has been marked by a significant level of funding from the Government through the Horse and Greyhound Racing Fund. In Budget 2018, the Minister for Agriculture, Food and the Marine allocated €64 million to the horse racing industry.

The Sport Horse Sector in Ireland by contrast is a very broad and diverse sector consisting of many different activities, individuals and businesses. As such it is difficult to define the industry. However, at the centre of the industry is the Irish Sport Horse. A Sport Horse is defined as ‘*a riding horse of a single breed or a combination of breeds used for (or intended to be used for) recreational and competitive activities other than racing*’.ⁱⁱ

The groups and individuals involved in the sector include breeders, riders, horse feed companies, horse equipment companies, equestrian centres, riding clubs, trainers, equitation schools, dealers, and auctioneers. The sector includes large professional operators with international activities, but it also embraces recreational and amateur operators and everything in between.

Ardcolumn Duke (Traditional Irish Horse) ridden by Billy Twomey (IRL)



Cooley Rorkes Drift (Irish Sport Horse) ridden by Jonty Evans (IRL)



The current sport horse population is estimated at 135,715 animals; there are 14,830 active breeders; 46,799 people are involved with sport horses; there are 14,057 full time job equivalents (FTEs) in the sector; and it makes a contribution of €816 million per annum to economic activity. The most important aspect of this contribution is that most of the jobs are rurally based. The sector supports considerable rural employment, heritage and social culture. The important point is that with increased funding and improved structures, this contribution could increase substantially.

While the Thoroughbred Sector is a significant recipient of State funding, the Sport Horse Sector received annual State funding of less than €4 million. Both Horse Racing Ireland (HRI) and the Irish Greyhound Board (IGB) were established as semi-state organisations, unlike Horse Sport Ireland, which is a Limited company. As a result, its funding is not on a secure, multi-annual basis which makes strategic planning and development of the sector extremely challenging. Further, given the relatively small contributions of state funding, long term strategic and infrastructural development is virtually impossible.

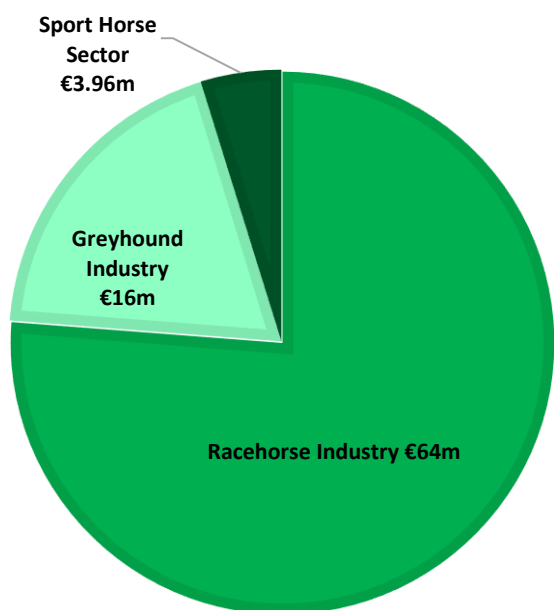


Figure 2: State Funding (€m)¹

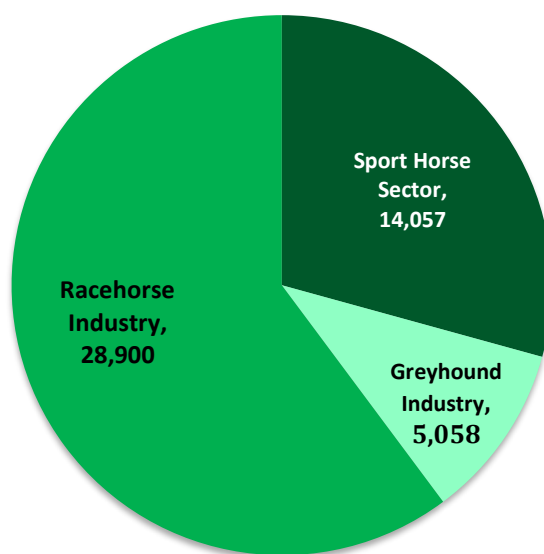


Figure 3: Total Direct and Indirect Employment Supported²

The Irish Sport Horse Stud Book has again topped the Eventing division in the World Breeding Federation for Sport Horses (WBFSH) in 2017. Since the WBFSH rankings were established in 1994, the Irish Sport Horse Stud Book has topped the Eventing rankings for an incredible 22 times out of 24 years. In October 2017, Irish-bred horses recorded four top ten placings at the FEI World Breeding Championships for Young Eventing Horses in Le Lion d’Angers, France. As a result, the Irish Sport Horse was crowned the leading Studbook at the Young Horse World Championships. In the same month, Irish Sport Horses claimed five of the top ten placings in Fair Hills, USA CC12*. These are just two recent examples of the international success of the sector, there are many more summarised in Appendix 1. While some Irish Sport Horses are performing very well on the world stage, and there is a good international trade for high quality Eventing horses that are well produced, it is clear that the overall Sport Horse Sector is not realizing its full potential and requires a clear strategy, targeted funding, and State endorsed structures to achieve the levels of success that the Thoroughbred Industry has attained.

This diverse sector already makes a very strong social and economic contribution to the national economy in general and the regional and rural economies around the country in particular. Many participants in the sector believe that it can make a significantly enhanced contribution in the future if the proper structures and supports are put in place. They contend that as an industry, including breeding and sport, it is operating at 50% of its potential and can make a significantly enhanced contribution with the benefit of new structures and supports. This belief is advanced on the

¹Figure 1 Source: Department of Agriculture, Food & The Marine

²Figure 2 Source: *The Economic & Financial Significance of the Irish Greyhound Industry*, Jim Power Economics, Nov 2017
The Contribution of the Sport Horse Industry to the Irish Economy 2017, Corbally & Fahey, UCD
Economic Impact of Racing and Breeding 2017, Deloitte

basis of their exposure to the Sport Horse sector in other markets where the sector is structured to reach its full capacity across a range of different areas. In some senses this will require an increased professionalism of the sector in Ireland, while retaining and accommodating participants who are involved on an amateur basis.

Within Ireland there are some extremely successful participants in the Sport Horse Sector, including exporters, breeders, trainers, show organisers and competition riders. However, of concern, market participants identify a declining breed of quality show jumpers compared to the market presence Ireland had 30 years ago. Meetings with key sector participants have made it clear that the show circuit in Ireland is in need of capital investment and reorganization in light of the nature of the competitive draw of facilities abroad. Directly allied to this is the export of the country's talented young riders, which if it continues, will further weaken both the show circuit and horse-producing capabilities.

Engagement with key interests in the Sport Horse Sector strongly indicates that the sector needs significant investment across a number of different areas, with the €3.96 million it currently receives in funding from government being grossly inadequate to support the structures and investment required to allow the Sector to achieve its full potential.

It is evident that the Sport Horse Sector has been marginalized through an absence of investment and inadequate support structures. There is currently a lack of appreciation of the potential contribution that the sector can make, if supported by a well-targeted increase in funding. Currently, the fragmented, diverse and in-cohesive nature of the sector is perceived as underpinning a reluctance to provide increased funding. It is very clear that a collective strategic approach from the industry is required in order to underpin the required increased investment for the growth and development of the sector in Ireland.

This report attempts to explain and analyse the different aspects and components of the industry. Specifically, it explores the current status of the industry, the Government funding situation, the key issues now facing the industry, and the areas that need investment if the industry is to realize its full potential.

The challenge is to realise the potential for Ireland to progress from having a healthy equine sector, to a world-class Sport Horse Sector that is based on land, climate and knowledge.

This report was commissioned by the Sports Horse Alliance, which comprises of a number of stakeholders involved in the Sports Horse Industry. The Group includes equestrian businesses, competition centres, breeders and riders. Details of the Group are set out in Appendix 2 to this report.

FEI WBFSH World Eventing Championships - from L-R: Business Class (ISH) & Sophie Richards, Chef d'Equipe Janet Murray & Sammy Davis Jnr (Cathal Daniels)



In the preparation of the report, an extensive literature review was conducted; a significant number of varied stakeholders in the industry were interviewed, including representatives from Horse Sport Ireland (HSI), Teagasc, riders, breeders, horse equipment manufacturers, equestrian centre operators, jumping arena operators, animal feed suppliers, the Army Equitation School, and many other interested parties. In addition, the author travelled to the Netherlands to look at the quality of training and breeding programmes, and equine facilities.

The strong consensus that emerged from the disparate groups that were met highlighted an overall ambition to develop a coherent vision for how the growth and development of the sector might be achieved in light of future challenges and opportunities.

The *Reaching New Heights* report has provided a strong template that HSI must be resourced sufficiently to develop. In turn the Indecon report of 2017 made very strong and clear recommendations about the changes in structure of HSI that are needed to effectively drive the sport horse sector to increase its overall contribution to the economy and realise its full potential. Indecon recognizes that funding of the sector is not fit for purpose. There is considerable support for these recommendations and a collective sense of urgency to ensure that they are applied without unnecessary delay.

To make progress, it is very clear that the Sport Horse Industry must be organized in the most effective manner to achieve its full potential. **A coordinated and united approach from all stakeholders is essential and assured – there is a high level of goodwill from all industry participants for a targeted, properly structured and resourced Government led initiative to drive the growth and development of the Sport Horse Sector in Ireland.**

The report is laid out as follows:

- *Section 2* provides a description of the Sport Horse Industry and particularly the key role played by HSI, which is the National Governing Body for equestrian sport in Ireland;
- *Section 3* analyses the economic contribution that the sector currently makes to the Irish economy;
- *Section 4* assesses some strategy reports that have been prepared for the sector as a whole, and some individual components of them;
- *Section 5* examines the issues and challenges currently facing the sector and the positive attributes of the sector;
- *Section 6* makes recommendations on what is needed to achieve the potential of the sector;
- *Section 7* looks at some aspects of the Sport Horse Industry in the Netherlands; and
- *Section 8* outlines where Government funding is needed in the sector and the potential that could be realised.



Conor Swail (IRL) & Martha Louise (SWB), members of the Irish winning Nations Cup Team in Wellington Florida, March 2016

2. DESCRIPTION OF THE HORSE SPORT INDUSTRY

INTRODUCTION

The Sport Horse Industry in Ireland is a very diverse and often fragmented industry. It includes breeders, riders, horse feed companies, horse equipment manufacturers, equestrian centres, riding clubs, trainers, dealers and auctioneers. The sector ranges from very small amateur operators to large professional businesses and much more in between. The sector represents an important national economic activity, but increasingly the potential for strong growth from international markets is being realised. Unlocking this potential is being increasingly presented as a real opportunity for growth in the sector, both in terms of the activities of Irish based organisations abroad and in the context of inward investment to Ireland by international stakeholders in the sector.

There is a strong consensus across the industry that the primary objective of the sports horse industry is to breed and produce horses for profit capable of competing at the highest levels in equestrian sport and also provide the foundation for leisure and recreation industry in Ireland and abroad. The industry is a substantial business engaging people from all walks of life, both young and old, from hobby to professional levels.ⁱⁱⁱ

Ireland has a very strong history and reputation in the production of sports horses, which is reflected in the country's world rankings in event horse breeding and its former world rankings in showjumping.

All studbooks and breeders of sport horses should aim to recognize the importance and value of pedigree-registered animals and that the recording of full pedigree is the foundation for a strong breeding industry for Irish horses. In parallel, Passport Issuing Organisations, Breeders, the Department of Agriculture, Food & the Marine (DAFM) and all stakeholders should continue to develop technological solutions to ensure a robust identification system and a database that is maintained for all equines on the Island of Ireland.

In understanding the industry, the role of the National Governing Body, Horse Sport Ireland (HSI) is crucial.



HORSE SPORT IRELAND (HSI) - Structure and Role of HSI

On January 1st 2008, HSI became the governing body for equestrian sport in Ireland. It became the governing body for equestrian sport in Ireland (32 counties) as recognized by the international governing body (FEI), the Irish Sports Council and the Olympic Council of Ireland. At that stage it assumed the responsibilities of the Irish Horse Board and the Equestrian Federation of Ireland. In July 2008, the Department of Agriculture transferred responsibility for maintaining the Irish Horse Register to HSI following a special general meeting of the Irish Horse Board. In 2010, the organisation was formally recognized as the Governing Body for equestrian sport by Sport Northern Ireland.

The current Board of HSI has 19 members, a structure which was noted as being cumbersome in a recent Indecon International Economic Consultants and which has 'implications for the operation and effectiveness of the Board'.^{iv}

The role of HSI is multi-faceted and includes:

- Interface with the Government and Government agencies on behalf of the sector;
- Maintains the Irish Horse Register, which incorporates the Irish Sport Horse, Irish Draught Horse Studbook, HSI also maintains the Irish Sport Pony Studbook and the Irish Cob Studbook under license from the Department of Agriculture, Food and the Marine;
- To implement quality breed improvement schemes, including performance testing, genetic indexing and the promotion of the successes of Irish horses.
- The Breeding department developed the IHB database to provide the online Pedigree, Progeny and Performance database – IHR online.

- HSI also issues non-Pedigree ID documents for horses under license from the DAFM;
- International marketing of Irish Horses;
- Developed a world class Coaching programme, to develop modern coaching methods for equestrian in Ireland, certified by Coaching Ireland.
- Develops national training and education programmes for both horses and riders;
- Acts as the National Governing Body for Equestrian Sport as recognized by the International Governing Body (FEI), the Irish Sports Council (ISC), the Olympic Council of Ireland (OCI) and Sport Northern Ireland;
- Runs High Performance Programmes for selected equestrian Olympic disciplines;
- Runs the National Horse Anti-Doping Programme for Equestrian Sport;
- Selects all International teams and approves all International Entries;
- Approves and supports all International Events held in Ireland.

The key elements of HSI include Coaching, Training and Education, promoting high breeding standards, and the International Marketing Department.

Breeding

The main functions of the Breeding Department are as follows:

- To run the Irish Horse Register, incorporating the Irish Sport Horse studbook & the Irish Draught Horse studbook.
- To maintain and develop the IHR database associated with the studbooks.
- To implement quality improvement schemes, including performance testing and genetic indexing.
- To assist breeders by supporting events and classes throughout the country which enable breeders to produce their young horses in Ireland and thereby add value to their animals prior to sale.



The Irish Horse Register – IHR Online

IHR Online (formerly Capalloir) is the official pedigree and performance database of Horse Sport Ireland for the Irish Sport Horse and Irish Draught studbooks. Horse data available on the Irish Horse Register includes basic horse information such as breed, colour and sex; pedigree, performance and international performance links is maintained and developed.

Coaching, Training and Education

HSI's objective in relation to coaching, training and education is to provide candidates with a pathway to a career as a successful competition coach. The development of the Coaching Programmes by Horse Sport Ireland has significantly contributed to increased underage medal winning results from 2008 onwards, as can be seen below. Further the number of people making their sole income from competition equestrian coaching has also increased over the period.



The International Marketing Department in HSI

The objective of the International Marketing Department in HSI is to promote Ireland as the leading destination in which to breed, produce, own and buy quality sport horses; elevate the Team Ireland Equestrian profile; ensure that Irish bred and Irish produced horses are recognized through promoting success domestically and internationally; to promote the sport horse auction houses of Ireland as a quality source of horses to the international buyer; promote the activities of the various equestrian sports nationally to encourage greater participation; increase mainstream media coverage for Irish equestrianism through the HSI press office activities; and develop new opportunities for increasing funding of the newly formed International Marketing division. HSI promotes and supports a number of websites in the Irish equestrian sector. These include:



Team Ireland Equestrian

Established in 2009, Team Ireland Equestrian unifies all FEI equestrian sports under one brand. It encompasses the eight FEI disciplines of Showjumping, Eventing, Dressage, Para-Equestrian Dressage, Carriage Driving, Endurance, Reining and Vaulting.



The Irish Horse Gateway

The Irish Horse Gateway is HSI's official channel for buying and selling Irish horses. It was initiated in 2013 to connect the world to the Irish Horse. It has established a database of Registered Irish Sellers who have signed up to a Code of Conduct. This Code is designed to increase confidence in attracting overseas clients. All horses on the Irish Horse Gateway have known pedigree and sellers have signed up to a code of conduct to provide the best possible buying experience for International and domestic buyers.

The aims of the Irish Horse Gateway are:

- I. To help breeders and producers in Ireland to market high quality Irish horses and ponies to international markets;
- II. To give foreign buyers increased confidence in buying horses and ponies in Ireland;
- III. To assist foreign buyers in sourcing reputable providers of other services they may require;
- IV. To provide market feedback to Irish breeders and producers.

Affiliate Organisations

HSI has 28 affiliate organisations under its framework. These different affiliates have a broad footprint across the Irish Sport Horse Industry. The affiliates are:

- The Army Equitation School
- The Association of Irish Riding Clubs
- The Association of Irish Riding Establishments
- The Carriage Driving Section of HSI
- The Connemara Pony Breeders Society
- Dressage Ireland
- Eventing Ireland
- The Federation of Irish Polo Clubs
- The Hunting Association of Ireland
- The Irish Harness Racing Club
- The Irish Long Distance Riding Association
- The Irish Polocrosse Association
- The Irish Pony Club
- The Irish Pony Society
- The Irish Quarter Horse Association
- The Irish Shows Association
- The Irish Universities Riding Clubs Association
- The Medical Equestrian Association
- The Mounted Games Association of Ireland
- The Northern Ireland Horse Board
- Para Equestrian Ireland
- Pentathlon Ireland
- Riding for the Disabled Association Ireland
- Royal Dublin Society
- Showjumping Ireland
- TREC (Tourism Related Equestrian Competitions) Ireland



Image 3: Horse Sport Ireland Affiliations Logos

2016, HSI had a total budget of €6.02 million, with €3.96 million or 64.8% coming from Government funding and just over €2 million from operational income.

In 2017, Indecon International Consultants published a review of HSI ^v and made a number of strong recommendations about the structures of the organization. These recommendations are summarised in Section 4 of this report.

It is clear that HSI will have the key role in bringing the sport horse industry forward and in implementing and guiding any future investment strategy in the sector. Indecon believes that if the proposed measures are implemented, it will assist the sector in achieving the objectives in 'Reaching New Heights'.

The Indecon report expressed the view that the Irish Sport Horse Sector has significant potential and if expanded would result in a direct and indirect contribution to economic development, particularly in rural areas. Furthermore, it stressed the need to ensure the best use of scarce resources but acknowledged that the area where HSI is spending its resources is transparent and that there are no major areas where a significant reduction in spending would be appropriate. **The Report also expressed the view that additional resources will be required to facilitate the restructuring and expansion of the sector.**



3. THE ECONOMIC CONTRIBUTION OF THE SPORT HORSE SECTOR

The sports horse sector makes a significant contribution to the rural economy and the social, sporting and cultural life of the country. This economic contribution comes from the expenditure required in the various aspects of sport horse activities in areas such as feed, technical equipment, veterinary, farriers etc.; expenditure by spectators and participants at events; exports of sport horses; and the contribution to tourism. Overriding all of this is the contribution to employment, directly and indirectly.

It is very important to recognize the contribution that the sector makes in rural Ireland. Given the commitment of Government to more balanced regional economic development, this is a very important consideration in any assessment of the actual contribution and more importantly the potential contribution that the Sport Horse sector can make to the Irish economy.



In 2017, the UCD School of Agriculture and Food Science in association with HSI published a report^{vi} measuring the economic and financial contribution of the Sport Horse Industry to the Irish economy. The sector is extremely broad and diverse, but the UCD study broke down the structures of the industry into 4 distinct areas: breeding, competition, leisure and employment.

The Breeding Sector comprises Population Dynamics, Breeders and the associated employment.
 The Competition Sector comprises Show Jumping, Eventing and Dressage.
 The Leisure Sector comprises Hunting, Showing, Riding Establishments, Riding and Pony Clubs.
 Employment is both direct and indirect.

The CSO estimate for the horse population is based on various farm surveys. On this basis of measurement, the CSO estimates that the total horse and pony population is estimated at 92,300. Table 2 shows the breakdown of the total horse and pony population by region in 2016. The regional breakdown of ownership shows that the sector has a strong regional footprint across the country. It is estimated by the authors of the UCD report that sport horses make up 65% of the total horse population. However, the CSO basis of calculation underestimates the horse population, because many horse owners are not farmers and the CSO estimate excludes many equestrian establishments and non-farming horse owners.

Table 1 Estimate of the Horse and Pony Population by Region in 2016 Source CSO

REGION	HORSE POPULATION
Border	9,600
Midlands	8,200
West	17,500
Dublin & Mid-East	16,400
Mid-West	13,500
South East	15,700
South West	11,400
Total	92,300

Table 2 provides a more comprehensive measure of the total sport horse population based on affiliate registrations and survey results and estimates that the total sport horse population stood at 135,715.

Table 2 Total Sport Horse Population. Source: UCD Study on the Economic Contribution of the Sport Horse Industry to the Irish Economy 2017

CATEGORY	NUMBER OF HORSES & PONIES
Breeding Sector	87,769
Competition Sector	10,152
Leisure Sector	33,169
Unregistered Horses with Affiliated Owners	4,625
Total	135,715

In estimating the economic and financial contribution of the Sport Horse Sector, the authors of the UCD Report adopted an expenditure approach, which is easiest to measure.

In the Breeding Sector, the various forms of current expenditure include bedding, concentrates, hay and grazing, stud related expenditure, track and equipment expenditure, farrier expenditure, veterinary expenditure, schooling expenditure, and registration. The UCD report estimates total national expenditure at €271 million in the Breeding Sector.



In the Competition Sector, the various expenditures include basic livery, feed supplements, training and schooling, tack, veterinary attention, farrier, entry fees and travel. The UCD report estimates total national expenditure at €101 million in the Competition Sector.

Table 3 provides a breakdown of statistics for six affiliates of HSI in terms of membership numbers, animals registered and entries at events.

Table 3 National FEI Discipline Statistics (2015) Source: HSI

AFFILIATE DISCIPLINE	TOTAL MEMBERSHIP	TOTAL HORSE/PONY REGISTRATIONS	TOTAL ENTRIES
Showjumping Ireland	6,670	7,913	134,307
Eventing Ireland	1,214	1,297	9,483
Dressage Ireland	664	585	7,165
Irish Long Distance Riding Association	146		931
Carriage Driving Section of HSI	52	60	N/A
Irish Quarter Horse Association	23	120	N/A

In the Leisure Sector:

- In the Hunting sector, expenditures include payments to hunts, hunt-related social activities, travel, stabling and livery fees, veterinarian costs, tack and riding equipment, horse transport and farriers.
- In the Showing and Country Shows sector, expenditures include prize money, spectator expenditure, entry fees, mileage, accommodation, food, professional preparation of horses, livery, feed supplements, tack and equipment, farrier and veterinary expenditure.
- In the Equestrian Interschools competitions, expenditures include entry fees, competitor and spectator expenditure, and various travel costs.
- In the Equestrian Centre sector expenditures include feed, bedding, yard and track upkeep, farrier, veterinary, insurance and rates. There is also significant investment required in indoor and outdoor arenas, cross country tracks, jumps, tack shop, coffee shops and canteens, and disabled facilities.
- In the Riding Club sector, expenditures include membership fees, training fees, competition fees, livery, feed supplements, training and schooling, tack, veterinary fees and farrier.
- In the Pony Club sector, expenditures include membership fees, training fees, camp fees, rally fees and travel expenses.



The UCD report estimates total national expenditure at €103 million in the Structured Leisure Sector.

Apart from the various expenditures, considerable economic activity is also generated through exports and the direct and indirect employment generated in the sector. The UCD report estimates the value of exports at €48 million, with net exports amounting to €43 million.

This is a summary of the economic and financial contribution of the Sport horse sector in 2016 based on the UCD Report:

- The contribution of the Irish Sport Horse industry to the Irish economy is estimated at €816 million, which represents an increase of 15.25% on 2011.
- There are 14,057 full-time job equivalents in the Irish Sport Horse Industry, of which 9,646 are directly employed.
- The total wage bill paid in the sector is estimated at €231.4 million.
- There are 46,799 people involved in the Sport Horse Sector and it was estimated that involvement with sport horses contributes to the household income of 29,850 people.
- The current Sport Horse Population is estimated at 135,715 animals.
- Breeding is the largest sector and accounts for total expenditure of €271 million within the economy and there are 12,830 active breeders in the Irish Sport Horse sector.

- The competition sector accounted for €168 million expenditure in the Sport Horse sector. Of this total, the domestic competition sector accounts for €101 million and the international competition sector accounts for €67 million, with the RDS Horse Show contributing €43 million.
- A total of €103 million is spent within the affiliated leisure sector, of which €26 million is expenditure on country shows.
- A total of 5,527 sport horses to the value of €48 million were exported in 2016, with net exports amounting to €43 million.
- There are 11,644 equine classes held at national country shows each year, helping to attract over 286,500 spectators, of which 5% attend from overseas.

The authors of the UCD report conclude that the majority of the €816 million in expenditure and the 14,000 jobs provided by the Sport Horse Sector were achieved in rural Ireland. It goes on to argue that the sector continues to make not only an important economic contribution, but it is also important to the social and cultural fabric of rural Ireland. The key conclusion is that *'An increase in funding is required from the Irish Government to help support the growth of the Irish Sport Horse Industry in both domestic and global markets. In a time of economic uncertainty due to Brexit, the Irish Sport Horse Industry provides the Government with an excellent opportunity to yield a high return for their investment and increased employment in rural Ireland.'*

INTERNATIONAL EVENTS IN 2018

Table 4 lists the international sport horse events scheduled to take part in Ireland in 2018. Each of these events represents a significant regional generator of economic activity within each area. Additionally, there are events directly targeting national competitors, which represent major local hubs for economic activity across a range of activities within areas.

Table 1 Irish International Dates 2018 Source: HSI

DATES	EVENT
27 th March-2 nd April	Millstreet International Welcome Tour, Millstreet, Cork
19 th -22 nd April	Ballindenisk International Horse Trials, Watergrasshill, Cork
16 th -18 th May	Balmoral International Showjumping, Belfast, Antrim
30 th May-3 rd June	Tattersalls International Horse Trials, Rathoath, Meath
2 nd -4 th June	Mullingar International Showjumping, Mullingar
29 th June-1 st July	Kilguilkey House International Horse Trials, Mallow, Cork
25 th -29 th July	Camphire International Horse Trials, Cappoquin, Waterford
8 th -12 th August	Dublin International Horse Show, Ballsbridge, Dublin
16 th -19 th August	Millstreet International Showjumping, Millstreet, Cork
23 rd -26 th August	Millstreet International Horse Trials, Millstreet, Cork
19 th -23 rd Sept.	Ballindenisk International Horse Trials, Watergrasshill, Cork
27 th -29 th October	Millstreet International Showjumping, Millstreet, Cork
10 th -12 th Nov.	Cavan International Showjumping, Cavan

Sarah Ennis (IRL) & Horseware Steller Rebound (ISH) competing at the Tattersalls International Horse Trials



Judy Reynolds (IRL) & Vancouver K (KWPN) competing at the FEI World Cup Dressage, Olympia London, 2016



REGIONAL ECONOMIC DEVELOPMENT

The regional and rural economic and social contribution of the Sport Horse Industry is a key distinguishing factor of its national economic impact. Its activities occur in every county and support considerable economic activity and employment in a range of sectors. **In the context of the stated Government aim to achieve broader based economic recovery across the regions, the Sport Horse Industry has a vital role to play.**

The Context for Regional Economic Policy

While the Irish economy has been experiencing a strong recovery since 2013, it is clear that the recovery has been concentrated in the Greater Dublin Area and that rural and regional economies have not experienced the same level of growth. This is to be expected as economic recovery typically takes hold in the centre of highest population and most economies tend to be driven by the capital city and the centre of population.

The challenge for Irish policymakers is to ensure that the recovery percolates to the regions of the country. It is important from an economic and social perspective that economic activity is broadly based and that regional and rural economies are not denuded of young people and economic activity.

Against this background of variable regional economic activity, official policy has given recent strong priority to improving regional economic growth and development. From an economic and social perspective, this is an important and very desirable policy approach.

If economic activity continues to be concentrated in certain areas, then inevitably those areas will become congested and the cost of living and the costs of doing business will rise in a damaging way. There are certainly indications that this is now becoming an issue for the Greater Dublin Area in particular. From the perspective of Ireland's overall competitiveness, alleviating the pressures that are becoming very apparent in Dublin and creating the environment for stronger growth and development in the other regions would be very beneficial.

In the Programme for Government^{vii} it is stated that ***'As the economy recovers it is essential that the new Government, together with the Oireachtas, puts in place measures to revitalise all of Ireland so that the benefits are felt inside every doorstep and in every community'***.

The Government also pledged to implement regional employment plans, with local input, to help spread employment growth to all areas of the country. The objective of this strategy will be to ensure that agencies and companies work together and build on the competitive strength of each region.

Regional economic development policies have long been a feature of Irish policy making, but the current policy environment is in theory at least pushing the agenda more aggressively.

In 2016, Government published a report titled *'Realising our Rural Potential – Action Plan for Rural Development'*. This plan sought to address the challenges posed by 'the decline of rural industries and associated job losses, emigration of many of our young people, and poor connectivity in terms of transport and telecommunications infrastructure'.

The aim of the plan is to focus on the positive attributes that rural Ireland has to offer and 'unlock the potential of rural Ireland through a framework of supports at national and local level'. The definition of success would be to create a situation where 'people who live in rural areas have increased opportunities for employment locally, and access to public services and social networks that support a high quality of life'.

The plan contains five pillars:

1. Supporting Sustainable Communities;
2. Supporting Enterprise and Employment;
3. Maximising Rural Tourism and Recreational Potential;
4. Fostering Culture and Creativity in rural communities; and
5. Improving Rural Infrastructure and Connectivity.

The five pillars are highly interconnected and are mutually dependent on each other.



Tourism^{viii} has been placed at the centre of the Government’s overall economic strategy and falls within the remit of Fáilte Ireland. Two key elements of the Fáilte Ireland strategy are to ‘*increase the economic contribution of tourism across local communities within Ireland*’ and to ‘*ensure that the contribution of tourism to economic growth and regional development is fully recognised and understood*’.

The tourism strategy clearly recognises that State support ‘*plays a pivotal role in creating the conditions in which individual tourism enterprises can adapt and grow...and generating foreign earnings, employment and taxation receipts is a solid basis for investing in tourism*’.

The *Action Plan for Rural Development*, acting through the *Tourism Action Plan 2016-2018* is targeting growth of 12% in the volume of tourism in rural areas by 2019, which would see 8.9 million visitors to rural areas. Increased promotion of Activity Tourism will be a key part of this objective. The Department of Transport, Tourism and Sport, Fáilte Ireland, Tourism Ireland, the Local Authorities and Údarás na Gaeltachta have collective responsibility for achieving this target.

In February 2018, the Government launched *Project Ireland 2040*, which is the formalization of the planning and development framework into the future. The plan is informed by an expectation that an additional 1 million people will live in Ireland by 2040. *Project Ireland 2040* sets out a spatial strategy for Ireland, to accommodate the significant expected demographic changes in a sustainable and balanced fashion. It is about ‘*enabling all parts of Ireland to achieve their full potential. Specifically, It seeks to strengthen our rural fabric, by reversing town/village and rural population decline, by encouraging new roles and functions for buildings, streets and sites, and supporting the sustainable growth of rural communities, to include development in rural areas*’.^{ix}

As a very significant rural activity, the contribution that the sport horse sector makes to rural and regional economic activity is already very significant but can become considerably more significant.

Conclusions

It is clear that more balanced regional economic growth and development is a key priority for Government. In this context, the Sport Horse Industry has to be given recognition for the contribution that it already makes to rural economic activity and employment. Its activities are spread across rural areas and it supports considerable employment.

The more important point is that given a new strategic vision for the sector, a revised operational framework and a stronger economic contribution from the state, the sector has the potential to make an even more significant contribution. Part of the new focus for the sector must be to assist participants to focus on the business potential afforded by their own activities and to encourage them to maximize the potential exponentially.

How this potential can be quantified and can be achieved and delivered is explored over the remainder of this report. In short, the sport horse sector is not realizing its potential, but with a correct approach, it can.



Supporters of the Winning Irish Team at the Nations Cup competition
Wellington, Florida, USA, March 2016

4. A SUPPORTIVE POLICY ENVIRONMENT

REACHING NEW HEIGHTS

In February 2015, *The Irish Sport Horse Industry Strategy Committee* published its report 'Reaching New Heights', which set out a vision for the development of the Sport Horse Sector in Ireland. The Committee was made up of representatives from HSI, Teagasc and the Royal Dublin Society.

The key elements of the mission statement of the strategy committee were as follows:

- Enhance the reputation of Ireland as the 'Land of the Horse';
- Build upon the rich heritage of Irish Sport Horses and Ireland's many natural attributes in producing horses of the highest quality. The aim is that by 2025, Ireland will have a sport horse sector utilizing the most sophisticated science and skills to breed and produce horses of the highest international standards;
- Develop young people as breeders, producers and international competitors of the future and increase participation in all aspects of the sport;
- Position Ireland as an international centre of excellence for education in all areas related to equines and in coaching riders at all levels; and
- Create an industry that is a vibrant, dynamic sector contributing significantly to the economic and social life of the country, where the welfare of the horse is placed at the centre of the industry.

The overriding objectives of the committee were to make recommendations that would achieve three key objectives:

1. To encourage job creation and sustainable enterprise development;
2. To facilitate where possible export-led growth;
3. To provide a medium-term commercial development strategy for the Sport Horse Industry for the period to 2025.



To achieve the vision for 2025, six key recommendations were outlined in the report, with a number of more specific sub-recommendations contained within each. The detail of these sub-recommendations is set out in Appendix 3 of this Report and the key recommendations are repeated below.

- 1. Improving Herd Quality: Improve breeding structures to allow Ireland produce horses, which are recognized in the top of the WBFSH rankings.**
- 2. Deliver an education and training structure to deliver on the goals of the strategy.**
- 3. Improve the sales capacity across the whole industry.**
- 4. Increase participation and improve the experience of participants in the sector.**
- 5. Develop and enhance the structures to improve the welfare of horses. Lifetime care of the horse is vital for welfare. Identification systems for horses are also essential.**
- 6. Deepen institutional capacity to effectively deliver on the goals of the strategy.**

In total, Reaching New Heights contained 41 key recommendations. Some progress has been made to date such as the establishment of the International Marketing Division in HSI, and the roll out of the Knowledge Transfer scheme to the equine sector, and an independent review of the operations of HSI, which was published in June 2017. Each of these important areas of progress is reviewed below.

Reaching New Heights was effectively a mission statement that would provide a basis for progress, but a proper strategic plan and a stronger vision is now required to ensure that the sector achieves its enormous potential.

The Knowledge Transfer Programme

In 2016, the Minister for Agriculture, Food and the Marine launched the Knowledge Transfer Programme. This is a €100 million programme that is co-funded by the National Exchequer and the European Agricultural Fund for Rural Development as part of Ireland's €4 billion Rural Development Programme (RDP) 2014 to 2020.

Knowledge Transfer Groups will be implemented for some 27,000 farmers across 6 sectors – beef, sheep, dairy, tillage, equine and poultry. The aim is that these groups will provide key support to the agri-food sector in building its knowledge and skills base to underpin continued growth and competitiveness. Ultimately, helping farmers pursue best practice and thereby protect and improve incomes is the real goal.

For the equine sector, the opportunities are clear. The objectives of the programme as they relate to the sector are to assist in the development and transfer of knowledge on key aspects of enterprise, including profitability, breeding and animal health measures in relation to sport horse production.

The programme focuses on profitability and financial management, grassland management and sustainability, animal health measures, farm health and safety and farm progression planning.

Participants in the programme must be over 18 years of age; must hold an equine-registered premises; must own a minimum of two brood-mares aged between 2-and-a-half and 20 years of age for the breeding of sport horses that are registered in their own name for the period of the programme in an EU-approved studbook.

A staff member from HSI was approved as a facilitator for the equine Knowledge Transfer Programme. Based on the level of interest received, that staff member facilitated a total of five groups in Galway, Kildare, Tipperary, Sligo and



a group combining Laois and Offaly. Each group received the maximum number of 18 applicants. Year 1 of the Programme ran from 1st June 2016 to 31st May 2017.

The International Marketing Division

The International Marketing Division was set up within HSI in 2015 on the basis of the recommendation contained in *Reaching New Heights*. The Division, through the Irish Horse Gateway (IHG), promotes Irish horses and ponies, liaises with prospective international clients and oversees the Inward Buyer Programme. It also manages Team Ireland Equestrian sponsorship and promotional activities, as well as overseeing the press, social media and public relations wing of HSI.

In 2016, its staff travelled almost 42,000 km promoting the Irish Horse across the world.^x At the end of December



Image 11: Rodrigo Pessoa, Irish Show Jumping Team Manager, centre, with Team Ireland members, Cian O'Connor, left and Michael Duffy during a Horse Sport Ireland press conference launching the 2018 Longines FEI Nations Cup Series at Punchestown Racecourse

2017, the IHG website had 194 active sellers and 489 horses listed. During 2017, 102 new sellers were added, 705 new horses were listed, there was 140,820 unique website visitors, and there was 228,743 website sessions in total. Since the inception of the IHG, 546 seller accounts were created.

The Indecon review of certain matters relating to Horse Sport Ireland

An independent Government-sponsored review of the structure of HSI was carried out by Indecon International Consultants and was published in June 2017.

The fundamental underpinning of the Indecon study is that HSI is the organization that will have responsibility for devising and implementing strategies for the development and promotion of an internationally competitive Irish sport horse industry and achieving the ambitious targets set in *Reaching New Heights*. Hence, it is essential that its structures are as strong as possible.

The Indecon report^{xi} makes a number of recommendations that cover 4 broad areas:

- Evaluation of HSI governance;
- HSI structure;
- Review of Registration, Breeding and Performance Database Structures;
- Review of Programmes and Supports provided by HSI.

The following recommendations were made in relation to HSI Corporate Governance:

- Specific skills required by HSI board should be identified in advance and should be taken into account in appointment of directors;
- HSI directors should act in the best overall interest of the company and its objectives and should not be restricted to presenting the views of any specific stakeholders;
- HSI directors should receive some accreditation in corporate governance;
- Some of main Board Members should serve on the Audit and Risk Committee;
- The Board should review the allocation of its time to ensure that sufficient focus is given to each of its core responsibilities;
- Some minor changes to the operation of the Board should be considered;
- HSI should commission an external practice to provide an internal audit function.

The following recommendations were made in relation to the Structure of HSI:

- A simplified structure for HSI should be implemented with a small board of directors and three consultative advisory councils;
- Three Consultative Advisory Councils should be established covering breeding/production, sports and leisure;
- Each of the Advisory Councils should elect a Chairman who would also serve on the Main Board of the HSI;
- Directors to the HSI Board should be appointed for a 5-year period;
- The size of the HSI Board should be reduced from 19 to 9 to comprise of an independent Chair and external Directors;
- The Chair should be appointed by the Minister for Agriculture, Food and the Marine in consultation with the Minister for Transport, Tourism and Sport;
- Four independent Directors as well as the Chair to be appointed by the Minister for Agriculture, Food and the Marine in consultation with the Minister for Transport, Tourism and Sport;
- The Minister for Agriculture, Food and the Marine in consultation with the Minister for Transport, Tourism and Sport should also appoint a representative of the Northern Ireland sport horse sector;
- The skills for the Chair and the independent Directors to be identified in advance;
- The Chair and the independent Directors to be recruited via publicjobs.ie.

The following recommendations were made in relation to an Equine Database:

- A more centralized database including up to date information on both horse registration and performance should be established;
- A database Task Force Group with an independent Chair and membership of HSI and its affiliates should be formed to develop recommendations within 6 months to facilitate implementation of the centralized database;
- There should be increased promotion of enhanced databases.

The following recommendations were made in relation to Supports and Programmes:

- Additional resources for HSI are needed if the potential of the sector is to be realised;
- Key areas requiring additional funding should be identified by HSI;
- The Board of HSI should develop a costed submission to the Government outlining what would be achieved from Exchequer Funding and what options exist to develop other non-Exchequer funding sources.

Reaching New Heights lays out a very ambitious framework for the development of the Horse Sport Industry. It is essential that the suggested measures be evaluated and that the necessary funding is put in place to implement the proposals that will truly help the industry achieve its potential.

HSI will have a key role to play in delivering the vision set out in *Reaching New Heights*. In this context it is essential that the recommendations contained in the Indecon report be implemented as quickly as possible in order to ensure that the correct structures are in place to enable the industry achieve its potential. To maintain momentum, it is essential that all stakeholders support the implementation of the recommendations set out in the Indecon report at pace.



5. ISSUES FACING THE SPORT HORSE INDUSTRY

Section 3 of this Report outlines the economic and financial contribution that the Sport Horse Industry makes to the Irish economy, and Section 4 describes the key strategy in place for the industry at the moment and suggested changes to the structure of HSI to make it more effective. This section outlines the issues facing the sector.

In trying to assess the potential contribution that the sector can make going forward, it is first of all necessary to investigate the issues in the sector and the support that can be provided to help the industry realize its full potential.

The Indecon report (2017) was quite categorical in stating that the Irish Sports Horse Sector has '*significant potential and if expanded would result in a direct and indirect contribution to economic development particularly in rural areas*'. The Report stressed the need to ensure the best use of scarce economic resources, but it believes that 'additional resources are likely to be required to facilitate the expansion of the sector'.

The analysis conducted for this report is totally supportive of both of these assertions from Indecon. In an environment of scarce fiscal resources, any monies expended will need to be used to best effect. However, it is also clear that the sector does need increased funding in order to expand and fulfill its undoubted potential. Improving standards and the overall professionalism of the sector is necessary and would encourage foreign buyers and participants into the country and encourage the Irish network overseas to bring their clients to Ireland.

What are the issues facing the sport horse sector?

In the interviews and surveys conducted amongst stakeholders in the Sports Horse Industry, a number of common themes emerged on a consistent basis.

- The industry is seen to lack vital support systems and a clear strategic plan. There is however, an acceptance amongst many stakeholders that the implementation of the Indecon recommendations should address these issues and ensure that HSI is properly structured and funded to deliver the aspirations contained in *Reaching New Heights* and provide strong support and leadership for the sector. HSI will have a key role to play in developing the industry. The Indecon Report identifies that an appropriate balance must be struck between the important representative function and the appropriate skill sets to drive the cultural change and business focus that is required;
- The industry is extremely fragmented, which is reflected in the structure and composition of the board of HSI. The differing elements of the industry tend to look at growth and development specifically from their own perspective, rather than from the perspective of the sector as a whole;
- One of the biggest challenges the Sport Horse Sector has faced has been the inadequate funding available to invest and grow the sector. The absence of structured and directed funding has been the single biggest impediment to the sector growing to its full potential and needs to be urgently addressed if the sector is to emulate the successes of the Thoroughbred Industry at home and abroad.
- General confidence is low in the industry, especially about the future if current issues and conditions are not addressed. Business volumes depend on the number of quality affordable horses available, the vast majority of which currently come from outside of Ireland. There needs to be sufficient numbers of quality horses produced in Ireland to drive significant business volumes, and these volumes are not present at the moment;
- The tourism potential of the industry is not fully appreciated or realised and there is huge potential evident from a planned growth in equestrian activity tourism;
- Many top riders and breeders are being forced to leave the country. This is having a very negative impact on the industry. Prize money is deemed to be too low to allow young riders sustain a living and to enable owners produce horses to their maximum potential. Young riders leave to find better opportunities abroad and young horses are sold abroad before they reach their prime condition and maximum value. If Ireland continues to export its young riders and trainers, there will not be enough expertise left in the country to produce quality horses. These trends are seen to be undermining the quality and professionalism of the entire sector;
- For a long time, much attention was devoted to the need to develop centres of excellence to help raise the standards of tuition and schooling of Irish riders. However, rather than investing in the existing equestrian centres, a decision was taken to develop a green site option and a schooling facility at Abbotstown in

Dublin. This facility is now running training shows in direct competition with professionally run centres in its vicinity;

- The lack of adequate facilities is deemed to be a major issue. Ireland lacks sufficient high quality indoor and outdoor arenas. Most surfaces are not of sufficient quality to attract top riders and top horses; spectator facilities are generally poor; the quality of car parking facilities is lacking; and the general jumping and other infrastructure is not of the standard required to create a world-class industry;
- Lack of adequate competitions on a year-round basis and a particular lack of adequate competitions for grand prix horses between the months of September and April;
- Extra costs involved in having to travel to mainland Europe, which more and more riders have to do because of the low level of national competitions;
- The cost of running events is very high and the returns are generally very low;
- Programmes need to be run to rekindle the connection between the public and the Sport Horse Sector. The sport is often seen as mainstream, broadly based and directly connected to communities across the country. This cultural connection needs to be reinforced;
- A range of issues are also directly relevant to the breeding and leisure sectors, including issues concerning the quality of the breeding herd, levels of technical knowledge, the lack of agreement on breeding programme direction, a reluctance to view the sector as having a significant commercial or business potential, and the nature of the incentives/reliefs available to businesses being established in the sector;
- Semen is being imported from abroad and not enough emphasis is placed on preserving the bloodline and producing horses in Ireland;
- Many treat the industry as a hobby rather than as a business, and this lack of commercial focus is weighing down the whole sector; and
- Brexit presents a major challenge to the sector, which will be very directly exposed to any changes in the movement and regulation of horses across Great Britain and Northern Ireland.



What are the positive attributes of the sector?

Notwithstanding the many issues and challenges identified by stakeholders in the Industry, it does have a lot of positive attributes and advantages, which show the potential of the sector if adequate funding and proper structures were put in place. In many cases the issues raised by stakeholders are driven by a strong sense of frustration at the failure of the sector to achieve its full potential.

The positive attributes include:

- The strength of the Irish Sport Horse brand is very good internationally where Ireland has a strong reputation for horses. This is based on land, which is suited to rearing horses; the climate; people who are recognized as natural horsemen and women; and the quality of the horses, which is regarded as being very high. Irish horses are performing well on the world stage, particularly in Eventing, and continue to top the rankings in the FEI breeding table. There is a good trade for high quality Eventing horses that are well produced;
- The breeding sector has made some progress in its education programmes over the past few years and the fruits of this policy are starting to be seen with an improvement in the quality of young stock. If this progress is maintained, Ireland will have a much higher quality of animal more readily available within the country in the future; The generation interval is quite extended in equine breeding so the mating decision taken today will not be attaining a high-performance level for at least another decade. This has to be a key focus of attention now;
- Underage riders have received high quality training and competition opportunities over the past few years, which has increased the level at which they are participating and the results they are achieving at international competitions;
- It is positive to have one single entity responsible for the entire sector – breeding and sport, recreation and coaching/training, and funding are all under one roof with direct input from all relevant stakeholder groups;
- Stakeholders in the sector are very passionate about and believe in the value of and potential of the sector; and
- There is a significant cohort of Irish breeders, trainers, and riders who are gaining valuable experience abroad. This is partly because they are attracted by greater opportunities outside of Ireland, particularly on the European stage. Many of these people have identified the significant potential that exists for the sector in Ireland and are prepared to invest in their businesses and operations in Ireland if the proper supports and structures are in place to grow and develop the sector. The international connections being developed by these people represent a significant resource that can be tapped in the context of a structured development programme for the sector.



European Showjumping Championship 2017 Irish Senior Showjumping Team Gold Medallists.

From L-R: Rodrigo Pessoa (Team Manager) Shane Sweetnam, Denis Lynch, Bertram Allen & Cian O'Connor (Individual Bronze)



The Aga Khan Trophy, Dublin Horse Show

6. WHAT IS NEEDED TO ACHIEVE THE POTENTIAL OF THE SECTOR

The following areas should be given priority in order to take the whole industry on to a new higher level that would deliver clear economic and financial benefits for the national economy, and more importantly for the rural economy.

Infrastructure & Facilities

To create a world-class industry that will compete at the highest international level, the infrastructure for riding and the facilities for spectators need to be of the highest quality possible. Facilities need significant sustained investment to take them to the level and standard available in mainland Europe. It should not stop there - Ireland should aspire to have the best facilities in Europe.

Show facilities are essential for producing horses and educating riders, staff and students. If the quality of show facilities improved significantly, it would be possible to get more investment from sponsors, owners, breeders, and the general public. Without proper facilities, this will not happen and will prevent the sector from realizing its undoubted potential.

The quality of the jumping surfaces is of the utmost importance. Jumping surfaces need to be of a high quality and need to be upgraded on an ongoing basis. Fence materials also need to be renewed regularly.

Spectator facilities need to be upgraded to generate a more pleasant and comfortable experience for spectators. Facilities required would include seating in a wind and rain free environment; coffee and catering facilities; clean paths and surfaces to and from viewing areas; electric scoreboard systems for maximum information on competitors; high quality parking facilities, proper outdoor lighting; and high-quality landscaping.

There is a potential international audience for equestrian events in Ireland. If extra funding is used to significantly enhance the quality and professionalism of the offering, then tourism authorities should make equine activities a key part of their external messaging of Ireland. Apart from high quality events, riding holidays could make a significant contribution. Ireland is currently experiencing strong investment in and significant interest in the Greenway and Blueway concepts for walkers and cyclists. This offering could be significantly enhanced if bridle paths were developed.



Implementation of Existing Strategies and Reports

The horse sport sector needs to become less fragmented and needs to implement existing strategies to bring the industry forward. A significant and targeted increase in resources is absolutely essential, but increased funding should not be granted by the State until the correct structures are in place to ensure that best value for scarce resources is obtained.

The aims and ambitions of *Reaching New Heights* are very high level but are very soundly based. It is in the common interest of all stakeholders in the sector to support the implementation of the *Reaching New Heights* strategy and to facilitate the implementation of the recommendations of the Indecon Report on HSI. A significant change in the fortunes of the sector will benefit all participants, including those from a professional, amateur and leisure perspective. None of the sectoral elements within the Sport Horse Industry should fear a targeted and directed focus towards the industry, which recognizes the potential for development of the sector and raises standards, with new opportunities emerging.

In particular, the recommendations contained in the Indecon Report to improve the structures of HSI should also be implemented as a matter of priority. Where Government assistance is required to achieve the implementation of the Indecon Report, this should be forthcoming. The Government recognises the central role of HSI in securing change, but it needs to be rebooted to be effective and this should be achieved as a matter of urgent priority.

The implementation of the recommendations of both reports should be given the highest priority and a target-driven implementation schedule agreed. The HSI Board needs to be reduced in number and contain representatives from the key parts of the industry, such as the Equestrian Competition Centres Owners Association, who strive to make a living in the industry and who have a good understanding of the issues through their constant interaction with owners, breeders, riders and producers, both in Ireland and abroad.

Education

There is a strong consensus across the sector that education programmes for riders, breeders, young horse producers, show organisers and venue owners should be put in place on a strong professional footing. While the existing education system is positive in some respects, there is a strong consensus that it requires more resources, particularly in the area of breeding. There is also a need to resource and direct the training of judges, starters, course builders, and safety stewards. Many of these activities are currently carried out by an aging workforce, hence the necessity to train a younger generation.





Irish European Pony Eventing Bronze Medallists

Irish European Pony Showjumping Team Gold Medallists & Individual Gold and Silver Medallists

Young Riders

The Young Rider Academy^{xiii} in Switzerland has been developed by Athenaeum under the patronage of The European Equestrian Federation with the co-operation of the International Jumping Riders Club and the support of Rolex. The Franking University in Switzerland and the Uppsala University in Sweden are Institutional Academic Partners.

The setting up of this initiative was motivated by a belief that the equestrian sector had lagged behind other sports in terms of professionalism and management. The aim of the Riders Academy is to assist in training talented young show jumpers and prepare them for a career as professionals in the sport.

One of the initiatives is the setting up of a Riders Academy Programme that gives an opportunity every year for up to 6 promising riders to avail of tailor-made training and boarding at a top professional stable, with no costs. The programme includes professional education in mental coaching, team building, marketing and communication, business and economics, veterinary and anti-doping, and legal practice connected to show jumping.

Such a programme would be beneficial to horse people of all ages in Ireland, many of whom would not be familiar with the adoption of modern practices.

Knowledge Transfer

Promoting the Knowledge Transfer Programme is very important and the equine industry can certainly follow the example of the bovine industry, where knowledge transfer has worked very well.

Best International Practice

Holland, Germany, France and Belgium are generally recognized as being best in class in the overall sport horse industry. They have top class facilities; a large number of international events; strong focus on education and training; they breed from the best mares; and are strong in terms of marketing their horses in a way that is professional and attractive to customers. The quality in these countries is seen from Grand Prix all the way down to young horse classes and foal auctions.

Ireland is already a world leader in the production of Thoroughbred Horses. In mainland Europe, there is little competition from the Thoroughbred sector, so the higher net worth individuals who are interested in equestrianism, will tend to gravitate towards the Sport Horse Sector. This is not the case in Ireland, but with changed structures and a brighter outlook, this can happen.

These countries have a strong locational advantage as lots of shows take place within a short radius of each other. This makes it easier for potential clients to see and try horses. However, key to the success of these countries is the level of professionalism that applies across the board. As Ireland’s success with the Thoroughbred Sector demonstrates, our location is not a disadvantage to achieving world leadership in a key element of the equine industry.

Breeding

Significant education is also required on the breeding side to improve standards and professionalism. Many breeders are not aware of what is likely to produce talented progeny and what is not. Breeders need to be encouraged to breed from proven mares and do whatever is necessary to keep the best mares in the country. Education would help breeders understand the best mares and stallions to use. Breeders need to be incentivized to keep good mares for breeding.

A comprehensive register needs to be developed showing the prices obtained and the breeding of all horses sold publicly. This should be used to benchmark against the international experience.

Better prize money for the breeders of winning horses would enhance the breeding programme.

The breeding programme in the Netherlands provides what looks like a very strong template for how to do it to the highest standard possible.

The KWPN in the Netherlands could provide a good template for moving the Irish industry on to a much larger and much more professional footing. Section 7 provides a case study on the operation of the Sport Horse Industry in the Netherlands, but there are other good breeding programmes in France and Germany, for example.



Higher Standard Competition

International competitions such as those held in the RDS, Millstreet, Mullingar and Cavan provide an opportunity for Irish riders to gain valuable experience, gain valuable world ranking points, and to jump for relatively good prize money. Such events provide an FEI International simulated experience for young riders, judges, course builders, stewards and safety officers, due to the fact that international shows are run under different rules from national classes. This provides them with the experience they require to participate and compete overseas and gain very valuable experience. There is a need to encourage and promote a higher level of competitions within the country.

The possibility of developing an Irish Circuit to rival the Sunshine Tours in Spain and Portugal should be explored. This would enable foreign riders compete on a circuit of suitable international standard venues such as Millstreet, Cavan, Mullingar and Barnadown over a six-week period. One issue is that these tours are often scheduled at the very early part of the season to encourage the development of young horses and to develop riders. Weather in Ireland might not be conducive, but some flexibility in timing might be possible.

Central to this will be better prize money to encourage riders to compete in the country, and top-class facilities, with the quality of the jumping surfaces of the utmost importance.

There needs to be a complete review of the national competition calendar. Qualifiers should be held at the smaller competition centres at regional level, and then feed into the larger centres for the competition finals.

The purpose of the competition calendar should be to enable owners and riders to produce horses safely, to maximize their potential, and to provide competitors with a realistic opportunity to earn worthwhile prize money.

Expertise

Improving the general level of expertise and professionalism within the sector has to be given priority. The aforementioned recommendations on education and knowledge transfer would have a very positive impact.

Central Intelligence System and Phone App

A central system needs to be developed listing breeding and competition details for each horse, so that every breeder, buyer and seller can immediately access the breakdown of the performance and breeding of any animal that they are interested in. This would allow for more informed breeding decisions and purchases in real time. This should be linked to a phone app.

Horse Welfare

Horse welfare costs the government close to €5 million every year and is not good for the image of the industry. This needs to be put in the context of the annual budget of €5.9 million that HSI receives. It should be mandatory for every horse to have DNA taken upon registration, or passport amendments, in addition to the current microchip requirement with up-to-date details maintained on a central database.

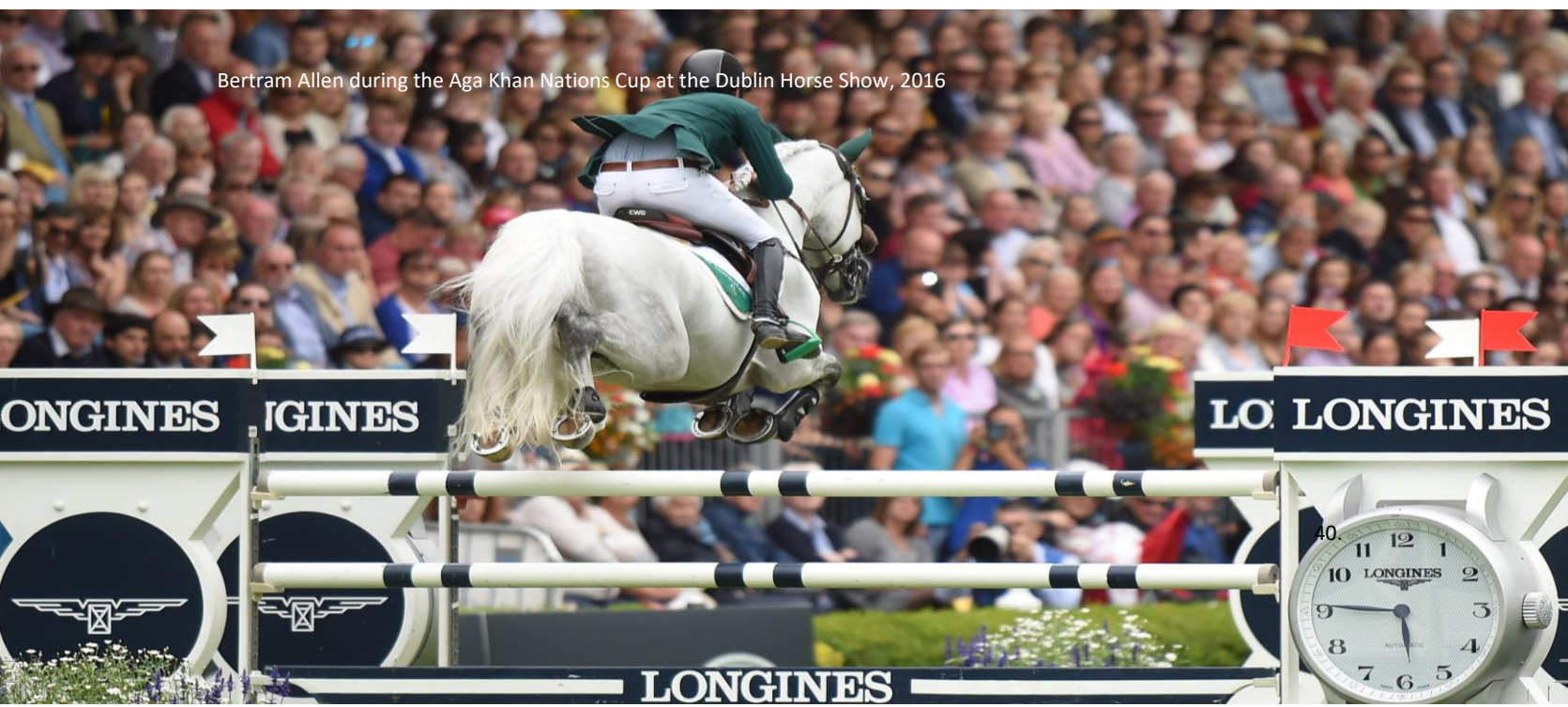
DNA is the only definitive method of identifying an individual horse from another, microchip technology while useful has proven to be vulnerable to error or misuse. Requiring all horses to have DNA verification at birth would reduce the cases of unknown horses ending up as welfare cases.

All Passport Ownership and legislation should be fully enforced. This would enable the current owner to be contacted immediately, by welfare officers etc., thereby eliminating the requirement for an expensive and time-consuming, and often futile search for negligent owners. This would save money and bring any abusers to justice quickly.

Public Promotion of the Sport Horse Sector

Allied to any future investment in the Sport Horse Sector is a requirement to ensure that there are engagement programmes launched to build and support public participation and awareness of the sport and the industry. This is not a sport of the elite, or the rich, or exclusively reserved for certain cohorts of the public – it is a popular sport with universal appeal and which offers great potential for all age groups throughout the State.

Bertram Allen during the Aga Khan Nations Cup at the Dublin Horse Show, 2016



I NETHERLANDS

VAN DER VLEUTEN E.

URIELING J.

SMOLDERS H.

HOUTZAGER M.



Winning Aga Khan Nations Cup Team 2010 – The Netherlands

7. CASE STUDY – THE NETHERLANDS

Strong Sport Horse Tradition

The Sport Horse Industry in the Netherlands is thriving at the moment. Over the years, the Dutch have won 26 Olympic medals, placing the country in third place in the overall Summer Olympic Games medal table. In 2014, the country had its most successful ever World Equestrian Games, doubling its tally of medals from 9 to 18, making the country the most successful at the games.

The country has a very strong breeding programme; top class facilities including equestrian centres, training facilities and a network of bridle paths; and a very strong horse production process. There is also a focus on school programme to teach young people about horses and this has the effect of attracting new young people into the industry.

The country has over 1,000 riding schools, most of which are affiliated with the FNRS, which is the Dutch federation for horse sport centres. In the Netherlands, horse sport is regarded as a pastime accessible to many people of all ages, with training programmes available for people of all ages and abilities. It is estimated that 70% of all Dutch riders ride solely for recreational purposes, with 250,000 horses privately owned in the country, out of a total horse population of 450,000. In total, the country has 3,000 horse sport centres and riding associations, and 7,300 events per year are run, resulting in 765,000 individual competition entries in eight separate disciplines. The country also hosts five outstanding international horse shows every year, which attract an estimated 270,000 visitors in total. Between 50 and 75 showjumping competitions are held every weekend. These competitions tend to be very professionally organized and are very competitive.

The Dutch recognise the strong economic contribution horse sport makes to the economy, and particularly the rural economy, with direct revenues coming from livery yards, horse trade, instruction, breeding and training related to the 450,000 sport horses in the country. Statistics Netherlands (CBS) estimates that the equestrian sector involves a total financial throughput of up to €2 billion, making it the second biggest sport in the country, behind football. Furthermore, it estimates that every seventh horse in the Netherlands generates a job.

The Dutch have a strong tradition of selling horses and treat it as a commercial enterprise or business, rather than as a hobby from which no money will be made.

The following analysis looks at two aspects of the Dutch equine sector, which demonstrate the high level of professionalism in the sector and what is possible once a strategic and professional approach is taken towards the industry.



KWPN Breeding Programme

The KWPN (Studbook of the Royal Dutch Sport Horse) is a Netherlands-based organization specializing in the breeding of jumpers, dressage horses, harness horses and Gelder horses. It has 22,000 members and approximately 10,000 new foals each year, which makes it one of the largest studbooks in the world. The goal of KWPN is to breed modern sport horses that perform at the top level of international equestrian sports. However, it does not just focus exclusively on world-class sport. It also seeks to facilitate matches between the large population of amateur riders and their horses.

The general breeding goal of KWPN is to breed a competition horse that can perform at Grand Prix level; with a constitution that enables long usefulness; with a character that supports the will to perform as well as being friendly towards people; with functional conformation and a correct movement mechanism that enables good performance; and with attractive exterior that is preferably attractive, along with refinement, nobility and quality.

Dutch horses are Number 1 in dressage and rank very highly in showjumping. KWPN has developed a very strong marketing message and is constantly driving innovation. The Dutch government provides significant funding for innovation in all aspects of the horse industry and there is strong collaboration from grass roots throughout the rest of the Dutch equine industry.

Equestrian Center De Peelbergen

The Peelbergen Equestrian Centre was opened in November 2015 in the southern part of the Netherlands. It is the result of collaboration between 40 local businesses who invested in the facility, and the local provincial government, who recognized the potential for the centre to make a strong contribution to the local economy. The facility cost over €12 million to develop, with the funding coming from the 40 corporate investors, the local government and some borrowing. In 2017 it achieved turnover of €4 million and delivered a profit. These achievements look set to be surpassed in 2018.

The equestrian centre has 3 indoor arenas. The central arena measures 120 x 40 metres; the left side arena measures 75 x 35 metres and is equipped with a concrete floor, making it possible to remove the sand covering; and the right side arena measures 75 x 35 metres.

The facility has four outdoor rings. The two main rings measure 100 x 50 metres and the two warm-up rings measures 60 x 40 metres. There is a paved area adjoining the centre, with space for 600 competition stables.

The Peelbergen centre organises regional, national and international competitions and also caters for daily training of horses and riders. It can also cater for non-equestrian events such as concerts and trade shows. There are also conference facilities, and a high quality culinary offering that brings sport and business together. During events, it generally serves up to 2,000 meals.

In 2016 it hosted 5 international jumping events; in 2017 it hosted 10; and in 2018 it is scheduled to host 14. The centre employs 8 full-time staff and employs up to 80 catering staff during events. It makes a significant contribution to local hotel business and accounts for 500 bed nights over the weekend of an event.

The Peelbergen Equestrian centre is a professional top-quality facility that is indicative of the Dutch approach to the sport horse industry. It is run on a strong commercial basis; is making a very strong contribution to the local economy; and is a source of strong local pride. The facility was created from a green field site and the planning process was worked through very quickly, because all local stakeholders had a strong sense of the greater good and the positive contribution that the facility would make to the local area.



Arial view of Equestrian Center De Peelbergen



8. GOVERNMENT FUNDING AND THE POTENTIAL OF THE SPORT HORSE SECTOR

Where Should Increased Government Funding be Directed?

In the current fiscal environment, all government expenditure is under intense pressure and scrutiny. While increased funding of the sector is essential, as pointed out in the independent Indecon report and by numerous stakeholders, there is obviously a limit to the amount of extra funding that could be allocated to the sector.

In an environment of finite resources, clear choices will have to be made to ensure that the best possible economic and financial return is attained for any outlays. It will not be possible at the beginning of the process to address all of the issues, so clear prioritization will be required, in what will have to be a top-down approach to developing the industry.

As a priority, funding needs to be allocated to facilitate the implementation of the Indecon Report on HSI, given the pivotal role that a fully functioning HSI will have in driving growth, development and change in the sector.

Eventing and showjumping should be seen as the engine of growth, from which the rest of the industry will develop. Consequently, the following areas should be given priority in the early stages of any funding programme.

1. A limited number of equestrian centres should be developed to the highest possible levels to attract competition of the highest possible standard. The quality of the surface is the most important element, but spectator facilities, the jumps and car parking should also be considered. The centres should be multi-functional with the capacity to host dressage, pony club competitions, polo, and non-equine activities such as trade shows and musical events. Such a multi-functional offering would ensure longer-term financial viability. The owners of the centres will have to commit to match government funding, but long-term loans at the lowest possible interest rate should be facilitated. To get the owners of the centres to commit to the required investment, they will need to have confidence in the future strategy of the sector. The relevant bodies will have a role to play in ensuring that the competition calendar is consistent with the development of a small number of high quality venues. Initially, the creation of 5 centres of excellence of European and World standard should be developed.

Industry sources expect that funding of the order of €30 m over 5 years will be required to achieve the necessary infrastructure improvements.

2. Prize money needs to be increased for riders, breeders and owners. An increase of €3 m should be sufficient to make specific events sustainable and attractive to participants. This funding could be allocated on a basis that recognizes regional growth objectives, tax compliance and existing funding streams.
3. Increasing the output and quality from the breeding side has to be a key priority. Cash incentives for genetically proven mares are essential to provide recognition and rewarding breeders who produce top quality horses that achieve strong international results. An increase of €2.5 million in the annual budget for breeding and €2.5 to develop the high-performance pathway would be necessary.
4. Education and training needs to be given clear priority, with the models used in countries such as the Netherlands, Germany, Belgium and France worthy of close attention. There is potential for the sector to link with Irish and international institutions to facilitate the provision of training to young people. Given the rich horse history and heritage that Ireland has, it is essential that the culture be not allowed die out. Programmes should be put in place in primary education to introduce school children to the horse. Yard visits, a free riding lesson, and an introduction to equestrianism should become part of school curriculum. This would help maintain the important culture and heritage of the horse in Ireland and narrow the urban/rural divide. An increase of €2 million in the annual budget would be necessary.
5. An equestrian tourism-marketing fund should be set up to promote the industry as a tourism offering. The benefits of this to the overall economy could be immense. The economic and employment impact of tourism is very significant. Failte Ireland^{xiii} estimates that overseas tourists on average spend €89 per day; every €1 million of tourist expenditure supports 29 more jobs; and every extra 1,000 tourists supports 14

jobs in the tourism sector. An increase of €1.3 million in the annual marketing budget to include the promotion of equestrian tourism could be transformative.

6. Targeted amounts of funding should be directed initially at the smaller equestrian centres around the country, to ensure that facilities at the grass roots level are of a high standard.
7. Once off funding of country shows on an annual basis for each of 5 years would be significant in helping to build the profile and impact of the sector regionally.

The Potential of the Sport Horse Industry

The sport horse industry is growing strongly at a global level. At an international level, good horses are commanding high prices; there is a growing number of top class shows; prize money is improving; and wealthy private individuals are getting more involved in the industry and are willing and able to pay large amounts of money for horses, training, managers, coaches, riders, farriers, veterinarian services and all other associated activities. Ireland needs to ensure that the industry is brought up to a sufficient level of quality and professionalism to exploit global trends.

The Irish industry has many challenges, but the key one seems to be the absence of a structured, resourced and directed development plan to maximize the economic potential offered by the sector. In particular, this has manifested itself through the absence of investment in equestrian facilities. Consequently, Ireland is missing out on the international passing trade and it is difficult to encourage students to come to Ireland to train and gain competition experience.

While the targets outlined in *Reaching New Heights* are impossible to argue with, they are aspirational and there is a lack of agreed vision and strategy to deliver for the Irish sport horse industry. The sector is at a key phase in its development, particularly in terms of supporting increased commercial involvement. It is imperative that all of those involved in the sector or with an interest in its growth and development are engaged in this new phase. It is also important that the Government provides the supports to the sector and specifically to HSI to facilitate the organization deliver on its core role to promote and guide the development of the sector.

There is potential for considerable growth in the industry if it is properly funded and managed. Educating young participants in the sector is essential and an environment needs to be created where industry participants can make a worthwhile living.

The training programme for younger riders over the past few years has given tangible results as demonstrated by success in national and international competition.

The hosting of international events is very important, but it needs to be done properly and professionally. Ireland has exceptional horsemen and business people, many of whom, have had to base themselves abroad to gain good opportunities. There is already a reasonably close network between most of these people, but structures need to be put in place to improve this networking system, which would create better opportunities for all in a mutually beneficial manner. Structured efforts should be made to encourage the equine diaspora to reinvest in the industry by sponsoring classes and sending horses back home for our young riders to produce. As a first step, a database of all Irish riders abroad should be created in order to create larger markets abroad for Irish horses.

The UCD Report demonstrates the economic and financial contribution that the sport horse industry is currently making to the Irish economy. **There is a general consensus within the sector, that it is achieving half of its potential.**

It is difficult to quantify the potential for the Sport Horse sector, as this depends on many factors including the economic environment, the support structures put in place by Government, and the attitude of the sector itself and its willingness to work together in a united manner to achieve what is best for the overall sector, rather than for individual interests.

It is worth bearing in mind that the Irish Thoroughbred Sector contributes €1.84 billion in total expenditure; core and directly related industries employ 15,200 FTEs, and 28,900 when indirect and associated employment is taken into account; and 1.3 million people attend race meetings.

Table 5 summarises the contribution of the Sport Horse Sector.

Table 2 Economic Contribution of the Sport Horse Sector. Source: ‘The Contribution of the Sport Horse Industry to the Irish Economy 2017’

TOTAL CONTRIBUTION	
Economic Contribution	€816 m
- Breeding	€271 m
- Competition	€168 m
- Leisure Sector	€103 m
- Net Exports	€43 m
- Wages	€231 m
Full-Time Jobs (Direct & Indirect)	14,057
Sport Horse population	135,715

With proper funding provided in a structured way with a clear set of priorities, it should be capable of increasing the contribution that the sector makes by at least 50% within a decade. This would translate into an increased contribution of over €400 million to the economy and an additional 7,000 full-time equivalent jobs. The export contribution should be capable of being doubled from €48 million.

Such growth in itself would be very important for the overall economy, but the key benefit is that much of the contribution would go directly to regional and rural economies. From a social and economic perspective, this would be very beneficial.

Once the correct structures are put in place, the industry should provide government with a detailed breakdown of the funding required in order of the priorities listed earlier. A top-down approach would be the most effective way of approaching the development of the sector.

Young Rider Robyn O'Neill at National Horse Sport Arena, Abbotstown





9. CONCLUSIONS

The Sports Horse Industry is a very important component of the rural economy, which makes a substantial economic, social and cultural contribution to rural life. While it makes a significant contribution, it is widely accepted in the industry that its potential contribution is not being fully realised. There are a number of factors inhibiting the development of the sector.

Firstly, the industry is very fragmented and this has given rise to a lack of cohesion amongst the breeding, sport, leisure and business sectors of the industry and this has retarded the development of an internationally competitive and successful industry.

Secondly, the quality of the facilities, the quality of competition available, and the prize money on offer are not high enough. Many young talented Irish riders and other professionals in the sector are going abroad to compete at a higher level; earn better prize money; and develop more fully. This brain drain is undermining the sector in Ireland, and it needs to be arrested before it is too late.

Thirdly, there is a lack of an agreed vision and strategic plan for the development of the sector.

Fourthly, the incentives for producing top quality horses are not strong enough. Breeders of top quality horses are not given due recognition and reward, and hence breeding programmes are not as strong as they should be.

The objective of the overall industry should be to improve the quality and professionalism of the whole industry and ensure that it achieves its full economic and social potential. Government assistance will be required, but it is not a case of going cap in hand, but rather an important industry that already makes a significant economic and social contribution, and which with sound investment can make a much more valuable and significant contribution. In the context of the immense challenges that Brexit will potentially pose for the industry, it is essential that proper structures and funding be put in place as a matter of extreme urgency.

The generational interval is quite extended in equine breeding, so the mating decisions taken today will not be attaining a high-performance level for at least another decade. Consequently, this has to be the key focus today.

Drawing comparisons between a country such as the Netherlands and Ireland is not wholly appropriate, as the geography and scale of the Dutch industry gives that country a significant competitive advantage. However, Ireland has many advantages that should be exploited to the greatest extent possible. Ireland has a strong culture of horses; it has a strong reputation for horsemanship; the land and the climate are very suitable for horse production; Ireland has a strong diaspora and network overseas that provides a significant opportunity; and the country has a close relationship with the US. The Irish thoroughbred Sector exploits all of these advantages to great effect, and it should provide a strong template for the sport horse sector.

There is no reason to believe that if the proper funding and management structures are put in place, the sector could not comfortably increase its economic and employment contribution by at least 50% within a decade. This would translate into an increased contribution of over €400 million to the economy and an additional 7,000 full-time equivalent jobs. The export contribution should be capable of being doubled from €48 million.

Ireland should never forget that wealthy emerging economies such as China, India and the Middle East represent huge potential opportunities for the sport horse industry in this country. Proper structures, breeding, education and facilities must be put in place as quickly as possible to exploit this global potential. If Ireland does not do it, there are many countries that will.

Winning Nations Cup Team, Wellington, Florida, USA, March 2016



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APPENDIX 1

TEAM IRELAND EQUESTRIAN SUCCESSES IN 2017

- Devenish & The Underwriting Exchange Irish Showjumping Team crowned European Champions, after taking Gold at Gothenburg (SWE)
- Cian O'Connor wins Individual Bronze at the European Showjumping Championships
- GAIN Irish Pony Showjumping Team win Gold at the European Championships
- Harry Allen wins Individual Gold at the European Pony Showjumping Championships, Kate Derwin wins Individual Silver
- GAIN Irish Pony Eventing Team win Bronze at the European Championships Irish Showjumping Team
- Irish Showjumping teams win Nations Cup in Drammen CSIO3*, Ocala CSIO4*, and Wellington CSIO4*
- Judy Reynolds and Vankouwer K set new Irish record in GP Special in Aachen CDIO5*. This year, Judy and Vankouwer K also won the GP Freestyle at Dortmund CDI5* and placed 4th at the World Cup Final in the GP Freestyle.
- Sarah Ennis and Horseware Stellor Rebound (ISH) finished 7th at the 2017 European Eventing Championships in Strzegom, Poland
- Irish Showjumpers won 10 out of 12 individual international classes at Dublin Horse Show 2017.
- Ireland has 10 showjumpers, 6 eventers, 1 dressage rider, 1 para-dressage rider and 2 endurance riders in the top 100 of their respective rankings
- Columbcille Gypsy (ISH) and Gerard O'Neill (IRL) win Six Year Old Final at the FEI WBFSH World Breeding Jumping Championships for Young Horses 2017
- The Irish Sport Horse Studbook topped the Eventing Studbook in the 2017 WBFSH Rankings
- Irish Sport Horse crowned leading studbook at FEI World Breeding Eventing Championships for Young Horses 2017
- Golvers Hill (ISH) wins the 2017 Al Shira'aa Hickstead Derby under Nigel Cupe (GBR)
- Irish bred horses claim 4 out of 5 places in Burghley CCI 4* with victory going to Ballaghmor Class (ISH) and Oliver Townend (GBR)
- Hilda Donahue and Tom MacGuinness qualify in Endurance individuals for World Equestrian Games 2018

APPENDIX 2
MEMBERSHIP OF THE SPORT HORSE ALLIANCE GROUP

Red Mills
Gain
Horseware
Showjumping Ireland
Traditional Irish Horse Alliance
Carol Gee
Cian O Connor
Ronan Rothwell
Tiernan Gill
Noel Cawley
Wrenwood Stables
RDS
Greg Broderick
Norman Allen
Goersbridge Horse Sales
Leslie Fitzpatrick
Barry O'Connor

APPENDIX 3

REACHING NEW HEIGHTS – THE MAIN SUB-RECOMMENDATIONS

(1) Improving Herd Quality: Improve breeding structures to allow Ireland produce horses, which are recognized in the top of the WBFSH rankings.

- Aim to be in the top division of the WBFSH Studbook Rankings for Show Jumping within fifteen years and on a par with studbooks such as BWP, KWPN, HOLST and SF;
- Develop individual breeding strategies to produce both show jumping and eventing horses, which are internationally benchmarked and establish a development programme for the traditionally bred horse;
- A radical rebuilding of existing breeding infrastructure to have a world leading scientific programme;
- Profile and benchmark the mare herd;
- Breeding organisations should be required to ensure that their breeding programmes are appropriate to the marketplace;
- A highly selective colt retention scheme based on genetics, phenotype and performance should be introduced with criteria benchmarked against that in competition studbooks such as KWPN, SF, HOLS and BWP;
- Irish bred restrictions at the Dublin Horse Show should be reviewed by the RDS;
- Develop a breeding plan, infrastructure and knowledge in relation to ponies;
- Increase the numbers of horses registered with verified pedigree, facilitated by an incentivized registration fee structure for breeders;
- Provide improved information on training and access to technologies such as artificial insemination, embryo transfer and advanced reproductive technologies coupled with access to artificial insemination technicians for equines;
- Improve the transparency and recording of sales price information for horses sold in Ireland and overseas; and
- Increase the usage of cost and profit management.

(2) Deliver an education and training structure to deliver on the goals of the strategy

- Establish a Knowledge Transfer Equine Programme (K.T.E.) along the lines of the existing successful Dairy Efficiency Programme and Beef/Sheep Technology Adoption Programmes;
- Develop a single progressive accredited education system, - a National Equestrian Education Pathway (N.E.E.P.) – a single progressive system for breeders, riders and those involved in the equestrian industry under the Department of Education;
- Provide a tailored mating information service for different breeding directions to assist breeders in making decisions;
- Certify horse and pony riders and producers (breaking and competition); and
- Create an information hub for all industry participants.

(3) Improve the sales capacity across the whole industry

- Develop an Irish Sport Horse marketing division within HSI;
- Invest in greater prize money to provide more of an incentive across the industry;
- Develop mare and stallion competition classes, incentivized by prize money, to attract mares and stallions to competition;
- Re-evaluate the current competition classes, incentivized by prize money, to attract mares and stallions to competition;
- To aid consumer decision-making 'star rate' equestrian centres and livery yards in relation to their quality of husbandry, facilities, horses, instruction (where applicable) and other services provided by an independent body;
- A range of equine tourism and recreationally focused initiatives should be fostered to promote increased participation across the sector supported by an improved multi-agency all-island approach; and
- Work with national and local enterprise structures to maximize employment within the sector.

(4) Increase participation and improve the experience of participants in the sector

- Promote participation by instituting a single registration fee or a discounted bundle package for participation across all affiliate bodies of HSI;
- Improve the structure of education for young riders and producers;
- Create opportunities for the exposure of primary and secondary school children to the sport horse industry; and
- The current young breeders programme should be expanded and further developed to enable FETAC accreditation by participants.

(5) Develop and enhance the structures to improve the welfare of horses

- The Group strongly supported efforts by the Department of Agriculture, Food and the Marine (DAFM) to improve the welfare of horses in Ireland and support responsible ownership;
- Engage an all-island approach to welfare, registration and related disease control matters such as premises registration and also change of ownership;
- Consideration should be given to reviewing the EU legislation regarding horses stamped out of the food chain whilst maintaining the same level of consumer protection;
- Develop a subsidized national programme to castrate male horses and ponies for those on social welfare or farm assist;
- No public funds should be channeled into breeding grants or subsidies unless they are linked to quality improvements as they principally serve to distort breeding;
- Initiatives to assist those with horses in an urban environment and those keeping horses in inappropriate settings to avoid adverse welfare and measures to ensure compliance with the law should be developed; and
- We must encourage, amongst other things, the earliest possible identification of all horses, lifetime care programmes from birth to the end of life, and responsible ownership of horses.

(6) Deepen institutional capacity to effectively deliver on the goals of the strategy

- In order to ensure that the industry is organized in the most effective manner to achieve the objectives set out in the Plan and to assist in the efficient administration of the initiatives set out in the Plan, it is recommended that a Government-sponsored independent review is undertaken of the structure of HSI and where relevant, other organisations, to fulfill the ambitions set out in the Plan;
- Develop a 'Network of Excellence' to facilitate the development of the equine sector;
- Invest in the development of equine facilities across the industry;
- Develop and continue the role of the Army Equitation School in its remit to advertise the Irish Bred Horse by competition at the highest level and an increased interaction with the sport horse industry;
- Establish producer groups for breeders and producers, with the aim of collectively providing a number of key services including marketing, market research, financial planning, and elite auctions;
- The introduction of a foal levy and competition levy would assist the industry to generate its own funds; and
- Develop a research and development programme under the auspices of the DAFM Research Stimulus Programme.
