

Horse Sport Ireland Budget 2022 Submission



HORSE SPORT
IRELAND

August 2021

Foreword

The Irish equestrian industry has long been a central feature of the social and cultural fabric of rural Ireland as well as providing valuable employment and a significant contribution to the economy. At the centre of the industry is the Irish-bred sport horse which is celebrated around the world for its many special attributes and outstanding performance in many spheres. The population of Irish sport horses stands at 135,715 currently, with 14,830 active breeders and 46,800 people involved in various ways with the sector.

It is estimated that the industry provides over 14,000 full-time jobs across the sport horse breeding, competition and leisure sectors, and contributes approximately €816 million annually to the national economy. Most of these jobs are in rural Ireland where alternatives to traditional farm employment are very limited and the economic contribution goes mainly to rural businesses providing further direct and indirect employment. It is important, therefore, to recognise the special social and economic value of this industry and to make sure that all possible steps are taken to nurture and protect it.

There is currently very high demand for Irish-bred horses which represents a very significant income opportunity for breeders and producers of Irish sport horses. As well as providing valuable farm income, this also provides benefits for our environment and pasture diversity. When these horses undergo further training and production abroad they are typically resold for incremental sums. It is believed that much of this incremental value (estimated at €25-30 million) could be earned here in Ireland if we could deliver the necessary training and production supports.

HSI's mission is to lead the equestrian sector to enable it to fulfil its potential. Most of our initiatives are focused towards increasing the quality of the equine stock produced and of the training and production of those animals to raise the prices and profits for the Irish producers with a multiplier effect across the wider industry and service providers. Horse Sport Ireland has ambitious plans to accelerate the growth and value of the sport horse sector and believes that there is an excellent opportunity to yield a higher return on investment and to increase the level of sustainable employment in rural Ireland.

Our budget submission for 2022 focuses on six key areas which are detailed in the body of this document.

These measures will require an increase in funding as outlined on page 2 over the previous year's funding. These measures are all within the context of the HSI Strategic Plan 2019-2024 and the "Reaching New Heights" report that accompanies this budget submission and offer significant potential in terms of Exchequer payback and industry development.

This funding request is also consistent with the 2020 Programme for Government which stated that: "We will continue to support the horse sport sector, recognising the need for increased ambition in this area to exploit the enormous potential of the sector from the perspective of competitive sport, welfare, traceability, and breeding standards. The further implementation of Reaching New Heights, which underpins the horse sport industry, is critical to that endeavour. We will ensure there is greater coordination between government departments on the delivery of this strategy."

HSI is very gratified by the progress that has been made already as a result of its development activities and investment in the sport horse industry and is absolutely committed to building on this progress with a modest increase in resources.

We hope that government and DAFM will back us in pursuing our ambitious objectives.



Mary Lambkin Coyle
Interim Chair

Executive Summary

The overall goal of the Strategic Plan of Horse Sport Ireland is to lead the sector to enable it to fulfil its potential, in being a top breeding nation, win medals and grow participation.

Horse Sport Ireland utilised the additional funding provided in 2020 and 2021 for important breeding initiatives which delivered significant gains in development of the Sport Horse sector whilst restarting the industry in the Covid-19 environment. We also carried out significant strategic planning and development for the vital Young Horse Pathway programme. To build on this success Horse Sport Ireland presents its 2022 Budget Submission including requests for four primary areas:

1. Continuation and further development of breeding initiatives to improve quality of horses bred in Ireland.
2. Implementation of the Young Horse Pathway programme and investment in regional training and production facilities to allow the pathway to progress.
3. Appropriate increases of current Grant in Aid funding
4. Inclusion of Equine Farming in ALL agricultural development programmes such as CAP and TAMS etc.
5. Integrity - Anti-Doping Funding
6. capital funding

The funding requested by HSI for the continuing development of the Sport Horse Industry in Ireland during 2022 is set out below:

2022 CURRENT SPENDING BUDGET SUBMISSION	2021	2022
<i>DAFM Grant - General Promotion and Development Functions</i>	€2,467,500	€2,961,000
<i>Young Horse Production Pathway</i>	€790,000	€1,500,000
<i>Breed Improvement Initiatives</i>	€500,000	€900,000
<i>National Breeding and Production Championships</i>	€585,000	€602,000
<i>DAFM Grant - International Marketing</i>	€682,500	€819,000
<i>Sport Horse Tourism Initiatives</i>	€873,143	0
<i>Integrity - Anti-Doping Funding</i>		€240,000
CURRENT TOTAL	€5,898,143	€7,022,000

2022 CAPITAL BUDGET SUBMISSION	2022
<i>HQ and Ancillary Facilities, Build Cost</i>	€5,533,768
<i>Advanced Veterinary Facility</i>	€558,861
<i>Equine Reproduction Laboratory</i>	€742,405
<i>Contingency</i>	€983,503
CAPITAL TOTAL	€7,818,537

The measures above are all within the context of the "HSI Strategic Plan 2019-2024" and the "Reaching New Heights" report that accompanies this budget submission offering significant potential in terms of Exchequer payback and industry development.

This funding request is made in the context of the 2020 Programme for Government that stated:

"We will continue to support the horse sport sector, recognising the need for increased ambition in this area to exploit the enormous potential of the sector from the perspective of competitive sport, welfare, traceability, and breeding standards. The further implementation of Reaching New Heights, which underpins the horse sport industry, is critical to that endeavour. We will ensure there is greater coordination between government departments on the delivery of this strategy."



Policy Context

The Programme for Government contains commitments which support further investment in Ireland's sport horse industry, the key areas which require investment are:

- Breeding Initiatives to improve the quality of Irish Sport Horse and Pony breeding.
- Knowledge Transfer for Breeders providing a development pathway for young horses to add value here in Ireland. Regional facilities upgrade/development are required to enable this primary objective to become a reality.
- Inclusion of Equine Farming in **All** DAFM/EU Agricultural schemes as a low carbon sustainable alternative.

Fundamental to this is a modest uplift in DAFM Grant for General promotion and development funding, Breeding Initiative Grant, International Marketing and significant funding for the HSI Horse Production Pathway implementation and regional development. The overall goal of the Strategic Plan of Horse Sport Ireland is to unite the sector behind a shared vision for the equestrian community.

1.

Continuation and Further Development of Breeding Initiatives to Improve Quality of Horses Bred in Ireland.

Numerous national breeding initiatives have been established and maintained by Horse Sport Ireland (HSI) to develop the quality of Irish horses and competition production classes are available to breeders to improve their sustainability within the equine market. It is crucial to the sector that the spend continues to be increased for programmes and breeding initiatives to develop the quality of Irish horses and the young horse production pathway.

The Department of Agriculture, Food and the Marine (DAFM) has been supportive to HSI since its establishment in 2008, and support on an annual basis scheme and initiatives to drive breed improvement programmes in Ireland. The objective of these programmes is to enhance the value and performance of sport horses bred and produced in Ireland. This is evidenced by increased equine market value, improved WBFSH studbook show jumping rankings from number 14th in 2020 to 7th in 2021, and increased number of Irish bred horses in top 100 FEI rankings annually on the international stage.

2.

Knowledge Transfer and Young Horse Pathway.

Fundamental to success in the future is the development of the Knowledge Transfer, Horse Production Pathway Programmes to increase the number and skill level of farmer breeders. The future of the sector heavily relies on good governance, training, and production to ensure the integrity of the Irish horse equine sector. Intertwined is the impact on a regional basis whereby young farmers require hands on support and knowledge transfer to ensure ongoing breed improvement and production methods are employed. Training of new breeders and producers in terms of husbandry and young horse production must be addressed. Currently a significant proportion of breeders have no formal education regarding production and training of young horses which is a key aspect of adding value to the product. Additional value adds are in terms of economic benefit to the regional agenda and to employment creation, retention and upskilling in a sector with significant international export potential.

This is underpinned by 2017 Strategic Report Reaching New Heights (RNH), is to position Ireland as an international centre of excellence in all areas related to and including equine production.





The overriding objectives of the report were 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.

Knowledge transfer in other areas of Agriculture, such as discussion groups, demonstration farms, farm walks, have been successful in disseminating information to farmers and encouraging better practices. To improve the overall financial performance of equine farms it is essential to have a similar scheme introduced, involving discussion group, young horse production pathway, coupled with financial management objectives once the model is established. Financial incentives (such as payments under DEP, Beef Technology Adoption Programme, and Sheep Technology Adoption Programme) have been found to be useful to encourage participation in best practice dissemination programmes targeted at large numbers of farmers. Analysis both in Ireland and internationally confirms that formal agricultural education had a positive and significant effect on farm level outcomes (productivity and efficiency) in different farming enterprises." RNH.

The review undertaken in 2021 highlighted that the actual learning infrastructure at the venues would need upgrading on a regional basis, to enable learning outcomes to be achieved. There is potentially no regional venue that would currently meet the full criteria for a successful, sustainable Knowledge Transfer Horse Production Pathway model. As a result, HSI are requesting some of the funding allocation to go towards a contribution in facilities upgrading. We have prepared a very comprehensive European E-Tender Qualification Questionnaire and Request for tenders document with appropriate criteria for facilities wishing to become involved in the Knowledge Transfer programme. We have also planned a detailed three-year programme for the period as follows 2022-2025. The full details have already been submitted to DAFM in the full detailed budget submission.

3.

Equine Farming Recognition.

Horse Sport Ireland' breeding pillar is responsible for the development and support of equine farming in Ireland. In that regard we are writing to request that equine farming (breeding and production) activities are included in the Department of Agriculture, Food and Marine's (DAFM) targeted Agriculture Modernisation Scheme (TAMS) II. To date, equine activities are not expressly included in any of the six schemes detailed under the umbrella of the TAMS II scheme. This will also enhance social inclusion within all 32 counties of Ireland.

Horse Sport Ireland would suggest that for all Common Agriculture Policy (CAP), TAMS II and all other DAFM agri schemes, Equine activities should be expressly included under "Equine Farming". Horse Sport Ireland suggests that this activity should be defined as "the breeding and production of horses that are registered in a DAFM approved studbook". This definition limits the scope of the schemes, to those genuine equine farmers, with equine premises numbers, who are compliant with equine studbook legislation and are part of a breed improvement programme with their respective studbook.

Upon investigation of the TAM's II schemes, it is evident that equine activities could be incorporated into both scheme one, 'The Young Farmers' Capital Investment Scheme' (YFCIS) and scheme six, 'The Animal Welfare, Safety and Nutrient Storage Scheme' (AWNSS). However, we would argue that given the contribution to rural agriculture from the Equine farming industry and the potential for future growth in this underdeveloped agricultural area, there is a strong basis to develop a seventh scheme within TAM's II to expressly cover "Equine Farming Investment Scheme" activities. This would ensure that equine farmers would have equal access to schemes similar to the Dairy Equipment Scheme, Organic Capital Investment Scheme, Pig and Poultry Investment Schemes.

4.

Equine Farming Contribution in Ireland.

Equine farming is a major contributor to Ireland's economy. The Irish Sport Horse Industry contributes an estimated € 816 Million to the Irish economy each year and directly supports over 14,000 full time jobs. The contribution of the sport horse industry to the Irish economy is more than €816 million per annum.

- There are 14,057 full time job equivalents in the Irish sport horse industry.
- The current sport horse population is estimated at 135,715 animals in Ireland. Breeding and production is the largest sector and accounts for a total expenditure of €217 million
- Within the economy and there are 14,830 active breeders in the sport horse sector
- The number of people involved with sport horses was determined by survey and when extrapolated for the entire industry, it amounts to 46,799 people.

Thus, as a major contributor to Ireland's economy, it is important that the equine activity in Ireland is fostered to ensure continuous growth. Hence, it is proposed to DAFM that a seventh scheme is incorporated into TAMS, an Equine Farm Investment Scheme. This scheme would specifically aid the investment in facilities needed to develop equine breeding and production of horses within Ireland. Furthermore, the inclusion of equine farming can facilitate the medium-term National Economic Plan one of whose recurring themes is:

'...to support farmers to embrace farming practices that are beneficial environmentally, have a lower carbon footprint and better utilise and protect natural resources.'

5.

Capital Funding Submission Request.

Horse Sport Ireland is requesting capital funding of c.€8m for a Sport Horse Centre of Excellence incorporating a national training and education centre, reproduction and veterinary facilities and an industry administration headquarters.

The idea of creating a national equestrian campus as a focal point for the equestrian industry has been a key objective of HSI since its foundation and has been repeated in every strategic plan since then including the current one which was launched in 2019. It was also a recommendation of Reaching New Heights, an influential report on the Irish Horse Sport Industry, as well as the Indecon report, published in 2018. Work on this project has been going on over the past two years and, following extensive research, a feasibility analysis and stakeholder engagement, the Board made a decision that Greenogue Equestrian was the best option for this purpose, particularly in terms of facilities, location and feasibility. Heads of agreement were duly signed to take on this facility on a long lease, with appropriate options to buy, and to develop it as our new headquarters and centre of excellence for breeding, training and other related activities.

Greenogue currently boasts high-quality stabling for 55 horses, indoor and outdoor arenas with high quality surfaces, as well as walkers, wash bays and facilities for all types of equine services. Outdoors it has an impressive training derby course and 30 acres of paddocks, a large barn for storage, as well as a large car park to accommodate horse boxes and lorries. It is located just off the M7 (Newcastle/Rathcoole exit) which makes it very accessible for visitors from all parts of Ireland, north and south, as well as people coming from Dublin airport.





In the new centre HSI will continue to enable the industry to fulfil its true potential through the delivery of a large programme of world-class research, marketing, education, and coaching programmes from Greenogue as well as provide direction on national breeding policy, which will in turn facilitate increased economic activity and value for Irish sport horse producers and the Irish economy.

A positive planning decision for the facilities has been recently granted and detailed costings are now available incorporating 2021 construction prices, making the project "shovel ready". It is planned that the new facilities will be built during 2022 which, in addition to housing HSI staff and its affiliates in a suitable working environment, will have meeting rooms, and research and teaching facilities to allow HSI to expand the range of services that we can offer to the equestrian industry. This headquarters, together with all the equestrian facilities, will allow HSI to become a one-stop-shop for the sport horse industry in Ireland where all aspects of HSI services can be managed and provided in one place.

The Board of HSI believe that Greenogue will provide a focal point for the equestrian industry as well as a top-quality environment for the provision of equine services, training and research in support of developing the equestrian industry.



6.

Integrity - Anti-Doping Funding.

For Budget 2022, Horse Sport Ireland is seeking financial support for the National Equine Anti-Doping Programme. The HSI Equine Anti-Doping Programme is in existence since 2012. To date, the revenue available to the programme has been dependant on levies within the Horse Sport Ireland affiliate structure. The monetary investment is low due to the available revenues and as a consequence same is reflected in the overall sampling levels year on year. Horse Sport Ireland exclusively manages the administration of the EADCM Programme across the industry. Horse Sport Ireland results manage and administer any alleged violations and disciplinary issues arising.

DAFM current fund the following competitive programmes through Horse Sport Ireland:

Breeding Supports for Events

- HSI Development Series
- Events utilised for Lancken and Le Lion, FEI WBFSH World Championships for Young Horses.

To date, the Equine Ant-Doping Programme has not been in a position to extensively reach such activities, and as consequence the performance outcomes are not benchmarked against Clean Sport Principles. A full review of the programme in 2019 and considered the efficacy of testing, our rules and any ancillary related issues. In 2020, WADA released a full revision to the Code, which in turn required the FEI to fully revise their Equine Anti-Doping Rulebook. All National Federations are required to harmonise their rules with the FEI, effective 1 January 2021. Horse Sport Ireland moved all sampling to the Newmarket Lab in 2020.

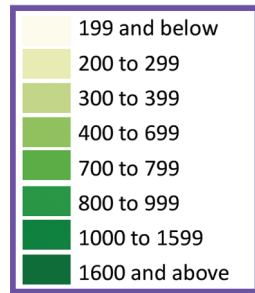
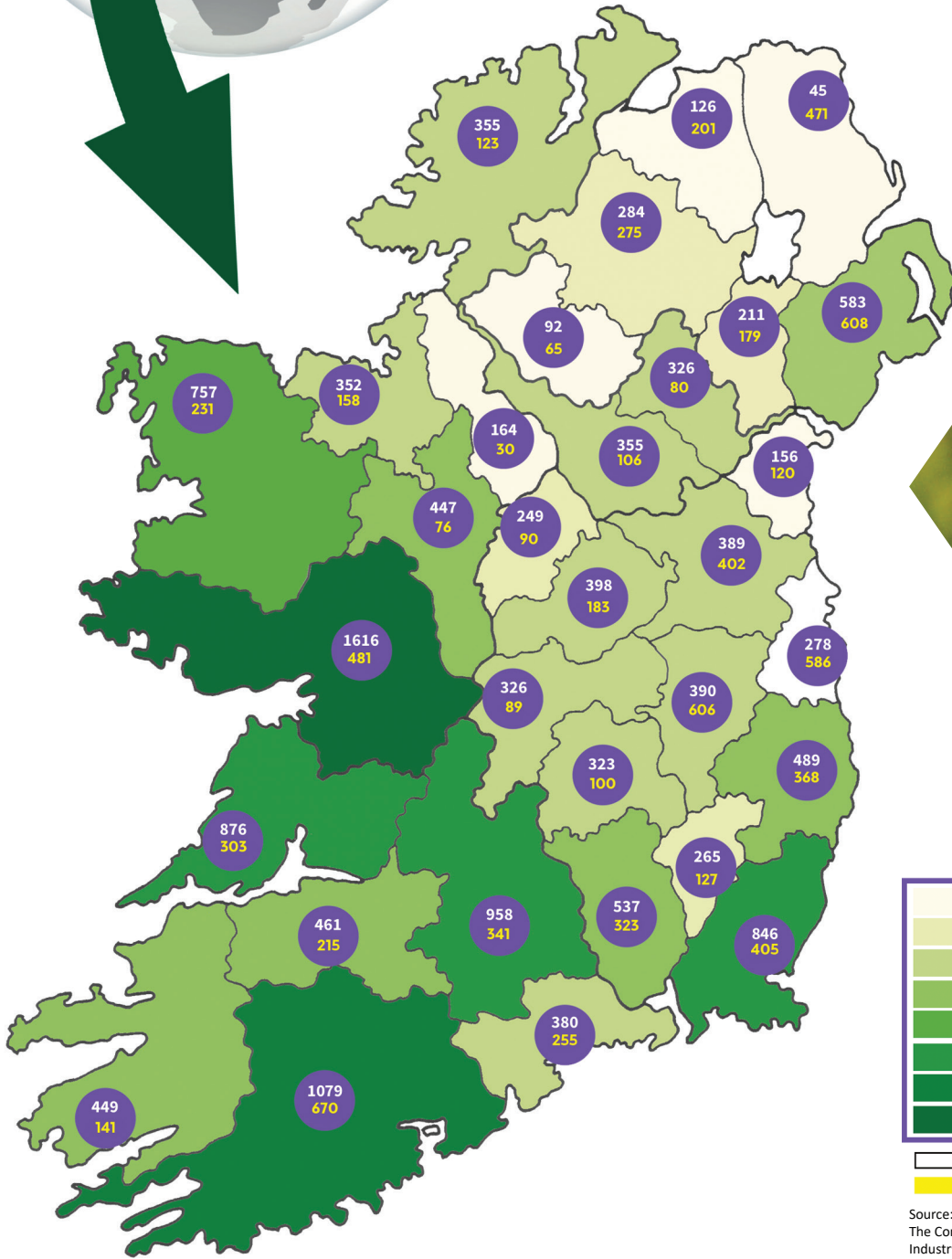
Our request is that DAFM specifically stipulate funding to be earmarked for integrity measures, as this would be instrumental and give the programme real presence within the industry. Furthermore, we are concerned that it is only matter of time before a focus is placed on the programme and the lack of investment therein.

Horse Sport Ireland is seeking wholesale financial support from DAFM to administer a prolific EADCM Programme within the Sport Horse Industry. Horse Sport Ireland are seeking a co-funder partner for 2022 and beyond.



EQUINE BREEDING AND PRODUCTION IMPACTS EVERY COUNTY IN IRELAND

As Evident by the Number of Breeders & Competitors Per County



No. of Breeders
 No. of Competitors

Source: Corbally, Fahey 2017
The Contribution of the Sport Horse Industry to the Irish Economy