



**Joint Oireachtas Committee on Agriculture, Food & the Marine
Opening statement**

**Challenges facing Sport Horse Industry (Resumed)
November 15, 2023**

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I would like to thank the Chairman, Deputy Cahill, and the Members of Committee for the invitation to Horse Sport Ireland to return before the Committee to discuss some of the challenges facing the sport horse industry and the progress that we are making in addressing them.

I'm joined today by our Chairman Michael Dowling, independent director Dr. Kevin Smyth and members of the senior management team, Dr. Sonja Egan, Head of Breeding, Innovation & Development and Killian Carroll, Chief Financial Officer.

We would like to provide an update on progress that has been made on various initiatives since our last appearance before the Committee in June of this year, and outline some of the challenges we have experienced.

At that presentation, we focused on Horse Sport Ireland's strategic priorities over this year and next. I am very pleased to inform the Committee that since June, Horse Sport Ireland High Performance programmes and athletes in Showjumping and Eventing have delivered successes to Team Ireland.

Our Senior Showjumping team, managed by team manager Michael Blake, won a Silver Medal at the European Championships in September; and event rider Austin O'Connor won the prestigious Maryland Five Star in the United States last month. Our underage squads have also continued their tremendous successes with several European medals for both individual and teams this year at Young Rider, Juniors & Children levels in Jumping, Dressage and Eventing.

Prior to 2008, International High Performance was managed by Show Jumping Ireland, Eventing Ireland and Dressage Ireland at Senior, Junior, Young Rider and Children age categories. In 2008, the year Horse Sport Ireland was established, Ireland won one International medal. In 2023, Team Ireland won 10 medals at underage level, an 11th with a Silver Medal win for the Senior Jumpers in the European Championships, and a 12th in the individual Silver for Michael Murphy in the Para-Dressage European Championships. Our Jumping team, are ranked the world number one. The team have had 13 podium finishes in 2023 alone in the Nations Cup series. The team have won 4 of those 13 including impressive, significant Nations Cups wins in Rome – winning it for the first time in nearly 100 years; and Calgary in Canada – two of the four Show Jumping "Majors" in the world. Horse Sport Ireland's Jumping High Performance Manager Michael Blake uses a squad of more than 30 international riders, supported by their horse owners, grooms and support staff.

Committee members may recall, that Horse Sport Ireland is the National Governing Body for Equestrian Sport, recognised internationally by the Federation Equestre Internationale, the Olympic Federation of Ireland and Sport Ireland, and as the National Governing Body, HSI operates High Performance Programmes to support athlete participation internationally.

These are fantastic results as we prepare athletes for the Olympic Games in Paris next year. They are also very important as an economic “shop window” for the breeding and production of young horses within the Irish rural economy. That “shop window” also benefits from programmes such as participation in World Breeding Championships for Young Horses, supported by Horse Sport Ireland with funds from the Department of Agriculture, Food & Marine (DAFM).

Exports of horses are worth €400 million to the Irish economy annually, with approximately €185 million in the export of sport horses, including performance and native breeds. Excluding those involved in the thoroughbred racing sector, we estimate the sport horse sector employs an estimated 47,000 people directly & indirectly and is worth in excess of €1 billion to the Irish economy annually. International success by Irish riders, supported in Horse Sport Ireland high performance programmes and breeding and production initiatives, are an important avenue for breeders and producers to source markets for their horses.

Governance

In June, we informed Committee Members of our consultation process on proposed governance changes to the selection of Board members.

We received a number of submissions from various stakeholders within the industry when the consultation process closed in mid-August. Those submissions have been published on our website and are currently being considered by the Board. Horse Sport Ireland has engaged with and met with a number of stakeholders that provided submissions within that process. In our consultation paper, which is also published on our website and is included for Committee Members’ interest, Horse Sport Ireland clearly states its aspiration to move away from an elections and constituency model of Board membership towards a skills-based Board, which is very much in line with more modern governance approaches.

The consultation document proposed an open call to all equestrians to apply to become directors. Once a prospective candidate is a member of one of the 26 affiliated organisations to HSI, or a member of active stakeholder group within the equestrian community, one can apply directly for consideration as a director. It is further proposed that an external selection panel will select and recommend the most suitable candidates to the HSI Board of Directors for appointment, based on the skills needs of the board. The selection panel will ensure gender balance.

The open call gives every equestrian the opportunity to apply for consideration as a director. It broadens the pool of skilled people available and willing to join the Board of directors of a complex organisation. Committee members will be very much aware that conflicts of interest, especially where unaddressed, had led in the past to many issues within various iterations of the HSI Board. This new approach opens up the process so that all equestrians can be considered by the independent panel, and with a wider pool of possible applicants, possible conflicts of interest can be reduced.

Since June, Horse Sport Ireland has held its AGM and lodged its accounts with the Companies Office. Committee members may be aware from recent equestrian media coverage regarding the fragile nature of those accounts. The financial statements outline the risks related to the funding model for the organisation and its dependency on grants from Sport Ireland and DAFM. The business is confident of its ability to continue as a going concern, albeit that the balance sheet is fragile due to losses incurred in recent years and the timing of grant payments from State funders under the current funding model. Management and Board members have embarked upon a comprehensive assessment of strategies to strengthen the financial position to ensure the organisation’s long-term sustainability.

This plan is already having an impact in 2023 and will we expect the financial position to strengthen further in 2024.

With respect to Governance within the 26 Horse Sport Ireland affiliates, HSI - with Sport Ireland funding in 2021 - commissioned a 2-year workshop programme specifically aimed at assisting HSI's 20 Sporting and Recreation affiliates becoming compliant with the Sport Ireland Governance Code.

Senan Turnbull of the Carmichael Centre, which is a specialist training and support body for nonprofit organisations in Ireland, undertook a series of governance workshops with all affiliates invited to send two participants. Workshops are/were practical in nature and set out the work that each organisation needed to undertake. While many of the affiliates participating in the workshops have seized the opportunity to enhance their overall governance, regrettably, some organisations have not fully attended the workshop series, and their actual progress towards compliance with the Sport Ireland Code is not clear.

Horse Sport Ireland has sought assurances from each of the Covid Grant recipients to provide statements of various assurances from their Boards on expenditure and governance, including independent assurances from each recipient's own external auditors.

Passporting Issues

We recognise that Committee Members may be aware of delays in the issuance of horse studbook passports. There are two primary reasons for this issue. Firstly, we have initiated a modernisation project last year, moving from an older DNA parentage testing system known as Microsatellites (MS) to Single Nucleotide Polymorphism (SNP), pronounced 'snips'. SNP DNA testing has been used within the Irish cattle industry since 2009 and horses were the only species remaining on the MS technology. This migration began last year, with the retesting of 10,000 older samples from notable and actively breeding mares and stallions to build a new reference library. However, where a stallion or mare has not been captured in the initial 10,000 batch completed in 2022, breeders have experienced delays where the parents of foals need to be established on SNP prior to the foal being SNP verified to those parents.

This hasn't been ideal and is a source of delays in issuing passports which normally take approximately 40 working days to complete. This issue is affecting all equine studbooks involved in transitioning from MS to SNP. Secondly, we have seen significant staff turnover within our passporting team. Of 17 staff, employed in the passporting unit, in the buoyant employment market this year, eight of those 17 since January have opted to seek employment elsewhere and two other colleagues are on extended leave, which does create lags in recruiting replacement staff, and training/upskilling delays. Staff have cited higher salaries on offer elsewhere as a main driver in their decision to leave HSI.

Separately, we are currently undertaking a tender process to procure a provider to develop a digital "e-passport" which will ultimately speed up the efficiency of existing paper passports and also provide a new digital passport offering. This system is under tender at the moment with a provider due to be selected before Christmas and the system operational during the summer of 2024.

Financial Supports

Horse Sport Ireland, as the National Governing Body for Equestrian Sport in Ireland, has played a significant and crucial role on behalf of State bodies such as Sport Ireland in the administration of public funds towards equestrianism. The beneficiaries of almost €3 million in funding since 2020 have

been HSI affiliates and stakeholder groups. The largest recipients being Eventing Ireland, Show Jumping Ireland, Dressage Ireland, and the Association of Riding Establishments (AIRE). From earlier amounts provided to the Committee, HSI has completed an evaluation of the final round of Covid-19 supports and these amounts were allocated in October 2023. In total, HSI has administered €2.8 million in Covid and Participation Grants funded by Sport Ireland and the Department of Sport from 2020 to date into the affiliate family. In total, there were five Rounds/Schemes of Covid supports offered by Sport Ireland and administered by HSI.

Members may recall that in the early months of Covid, the focus of grant aid to sporting and community/voluntary organisations was on efforts to shore up losses in revenue or membership so as to prevent organisations from winding-up or having mass redundancies. HSI allocations to affiliates followed a similar pattern in the First Round. As the rounds evolved, the supports to sporting bodies receiving grants from HSI changed to support staff training, volunteer training, restart grants for clubs, encouragement of return to sport and physical activity.

Participation Grants are an annual small grant scheme for new projects/initiatives supported by Horse Sport Ireland. Affiliates apply each year and can receive amounts up to €10,000 to assist new initiatives or projects to encourage more participation in equestrian sport. Grants have included supporting Eventing Ireland to undertake a Strategic Plan; funding coaches in Dressage Ireland for a series of “Try Dressage” Days around the country; expanding membership in Pony Clubs to economically and socially disadvantaged areas; and providing education and training for volunteers in RDA Ireland, which provides opportunities for individuals, with physical or intellectual disabilities, to horse ride or carriage drive. Over €300,000 has been allocated since 2020 to Participation Grants.

The final dimension of Horse Sport Ireland supports included direct financial sponsorship to affiliates to promote equestrianism. In 2021 for example, Horse Sport Ireland provided €55,000 to Show Jumping Ireland in direct sponsorship for the Premier Showjumping Series.

As members can see (in table 1), in the past three years alone, a substantial amount of taxpayers’ money has been invested by Horse Sport Ireland, with the support primarily of Sport Ireland into encouraging and maintaining participation in equestrian sports.

These figures do not account for the €950,000 that has been invested by Horse Sport Ireland this year alone funded by the Department of Agriculture, Food & Marine in breeding and production classes in showing, jumping, eventing, and dressage events around the country. Of this amount, more than €500,000 is allocated to over 60 rural shows the length and breadth of the country, along with €420,000 in a suite of Studbook and Development Series events in Jumping, Eventing, Dressage and combined training for horses and ponies. While equestrian venues do not receive a direct benefit from the events, they do receive a substantial indirect benefit, as most venues that host major events such as a round of the Studbook Series, could receive between €5,000 and €11,000 in entry fees from competitors depending on the number of competitors.

On behalf of Horse Sport Ireland, we hope this provides some clarity for Members on the funds provided to affiliates in recent years. We welcome this opportunity and engagement with the Committee and thank you for your time.

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Table 1 - Funds Provided to Affiliates 2020-2023

HSI Affiliate	Covid-19 Support	Purpose of additional funds 2020-22	Additional Amount	Final Covid Grant (2023) Allocated in October '23	Total
Showjumping Ireland	€553,854	Live Streaming, Marketing Supports, Premier Series Sponsorship	€128,419		€682,273
RDS	€30,000				€30,000
Dressage Ireland	€156,520	Sponsorship & marketing supports; Development Series Prizemoney; Participation Grant;	€86,560	€32,961	€276,041
Eventing Ireland	€583,732	Affiliation Grant; Participation Grant; Sponsorship & Marketing supports; Training	€82,855	€85,632	€752,219
Irish Pony Society	€24,912	Participation Grant	€8,750		€33,662
Association Irish Riding Clubs	€130,101	Participation Grants	€20,000	€39,963	€190,064
Para-Equestrian Ireland	€30,000	Affiliation Grant; Covid Supports; Participation Grant; Sponsorship	€22,400		€52,400
Hunting Association of Ireland	€165,000				€165,000
Hunting Association of Ireland (Hunt Clubs)	€42,435			€46,436	€88,871
TREC Ireland	€3,500	Participation grants	€10,000		€13,500
Irish Quarter Horse Association	€4,500	Participation grants	€13,000	€12,225	€29,725
The Irish Universities Riding Clubs Association (IURCA)	€6,000			€7,400	€13,400
Irish Pony Club	€10,000	Participation grants	€10,000	€4,000	€24,000
Association of Irish Riding Establishments (AIRE)	€329,750	Participation Grants	€17,500	€57,500	€404,750
Federation of Irish Polo		Participation Grants	€5,000		€5,000
Horse Sport Ireland	€64,696				€64,696
Total	€2,135,000		€404,484	€286,117	€2,825,601

Links:

Governance Consultation Document:

<https://www.horsesportireland.ie/wp-content/uploads/2023/06/19-June-2023- - FINAL Consultation-Paper-Appendix-1- for-release.pdf>

Submissions received as part of consultation process:

<https://www.horsesportireland.ie/governance-2/public-consultation-process/>