

The future of the horse industry in France Scenarios to 2030

The steady growth of the horse population, the variety of equestrian activities, and the increasing interest of French people for pleasure riding and for betting on horses, offer major assets for the horse worlds. However, the decline of government support and supervision, the increase of international competition, the fact that some activities largely depend on the work of enthusiastic amateurs or the recent concerns of society about animal welfare could undermine the future socio-economic development of the horse industry. In order not only to shed some light on possible directions for research and public policies, but also to help stakeholders in the equine industry to prepare for upcoming changes, the French National Institute for Agricultural Research (INRA), together with the French Institute for Horse and Horse Riding (IFCE), conducted a scenario building exercise for the French equine industry to 2030. This study takes an original look at the horse industry, through four strongly contrasting long-term scenarios that have been built thanks to the collective work of nearly 120 participants.

AT PRESENT: NEARLY ONE MILLION HORSES FOR VARIOUS USES THROUGHOUT THE COUNTRY

Equestrian sports and leisure activities



- Fédération Française d'Equitation (French Equestrian Federation): 3rd most important sport federation and first women's federation
- 1.5 million riders including 700,000 members of the Fédération Française d'Equitation (+56% between 2000 and 2010)

Horsing and betting



- Over €10 billion spent on betting in 2011 (+ 60% between 2000 and 2010)
- Around 50 horse races and €27 million spent on betting every day

Town and country planning



- Around 1 million horses living on 0.5 million ha (around 1 million ac) of pasture lands and a total of 2 million ha (around 5 millions ac) needed to produce horse feed (forage and grains)
- The role of horses in the maintenance of landscape, tourism, transport and agriculture

Mediation and integration



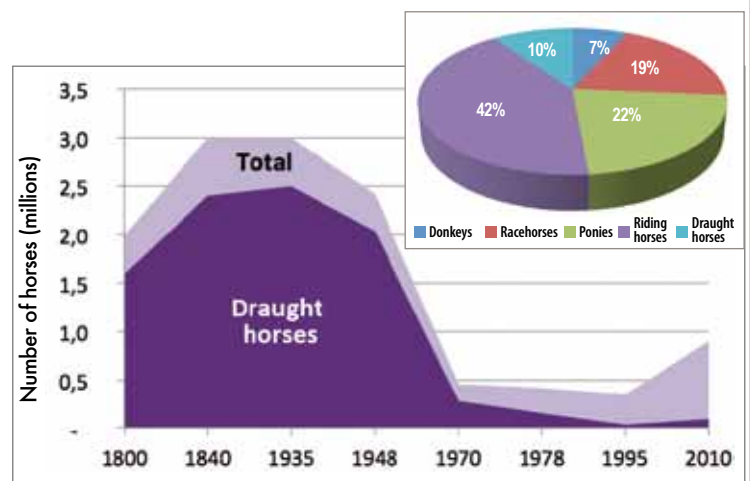
- Equi-therapy
- Social integration
- Educational role (children, citizens...)

Meat



- Horse meat consumption is on the decline with 300g/capita/year
- Draught horse population: -30% between 2000 and 2010
- Sharp decline of horse slaughtering

- ➔ 53,000 small-scale businesses and 72,000 jobs
- ➔ A turnover of 12.3 billion euros including over 10 billion for the PMU (French state-controlled betting system)
- ➔ 42,000 broodmare owners of which very few (15%) are specialised in breeding
 - On average, they have less than 2 broodmares
 - On average, breeding represents 10% of their income
 - Nearly half of them say that their activity does not generate any revenue
- ➔ The horse population has been expanding again since 1995



Changes in the number of horses, and distribution of the different types of horses in 2008. Source: Digard 2004, IFCE-OESC estimate.

EXPLORING THE VARIETY OF POSSIBLE FUTURES THROUGH A SCENARIO-BUILDING EXERCISE

This scenario-building process is based on a method called "morphological analysis", which consists in exploring the possible futures by combining hypotheses about the evolution of the key drivers of the chosen system. The objective is not to predict what will happen but rather to consider the variety of possible futures, by offering a range of scenarios exploring different trends and developments that may indicate potential shifts, and by providing original insight into the future. These strongly contrasting scenarios are not projections. Rather, they explore different possible developments worthy of interest.

SCÉNARIO 1 • EVERYONE ON HORSEBACK •

Horses in the leisure market, buoyed by a wide variety of businesses

After a period of gradual economic recovery, the middle classes' spending power has increased, finally enabling them to fulfil their desire to ride horses at any age and whatever their level. The government no longer provides support directly to the industry, which has the economic autonomy to meet the diverse expectations of increasingly numerous users. Expansion of the equestrian recreation market has stimulated competition and encouraged diversity in equestrian activities to satisfy all riders, from the occasional tourist to the regular competitor. Furthermore, thanks to the success of marketing operations targeting young bettors, racing is flourishing and the PMU (Pari Mutuel Urbain) is Europe's leading horseracing betting operator. The boom in equestrian activity benefits the industry as a whole, but requires widespread professionalisation and significant efforts to reduce costs while still improving supply. In order to compete with the growing import of horses from abroad, new breeders have turned their production towards lower cost horses bred for recreation rather than competition. In reaction, producers of top quality horses are spurred into making better use of horses not selected for competition by orienting each animal at an early age towards a type of career. This new segmentation is based on the industry's organisation linking breeding to users' expectations. The production of the French horse breeding industry is once again favoured by riders and sought after on the international market.

USERS	<ul style="list-style-type: none"> • Middle class equestrians, all ages, men and women
HORSES	<ul style="list-style-type: none"> • Population ↗↗↗ • Horses are used for recreational activities • Strong segmentation between leisure activities/sports/horseracing • High imports and then domestic supply
EMPLOYMENT	<ul style="list-style-type: none"> ↗↗↗ employees and self-employed people • Reception, education, leisure activities and management at the heart of the professions
DISTRIBUTION	<ul style="list-style-type: none"> • Tourist areas, as a complement to other cultural and sport activities, nature and city dwellers' holiday resorts. • Regions with strong population growth, but limited development in large metropolis urban and peri-urban areas due to pressure on property prices and commuting time. • Horse breeding regions where leisure riding and professional breeding and training of sport and race horses represent complementary yet rival activities.
ENVIRON. / BIODIVERSITY	<ul style="list-style-type: none"> • Keeping animals in peri-urban areas • Breeding of leisure horses on grassland as a way to maintain natural areas abandoned by agriculture • Contribution to landscape quality in rural areas • Market system that does not encourage the breeding of equines which are not of immediate interest

SCÉNARIO 2 • THE HIGH SOCIETY HORSE •

Limited number of users in a socially-divided society where natural resources are under pressure

The lasting economic crisis has profoundly affected the middle classes, whose spending power has declined. In parallel, tensions over access to land and agricultural raw materials are driving up the cost of equestrian activities. The middle and working classes therefore choose more affordable recreational pursuits and riding is once again a social distinction attracting a wealthy and exacting clientele. The most renowned and innovative equestrian centres have adapted to these customers who seek the atmosphere of an elite club. In contrast, economic difficulties encourage gambling, including betting on horses. The racing sector remains financially stable through levies on horserace bets, the use of modern technology and growth in international betting. Facing rising and already very high structural costs, race-horse trainers become owners and even breeders themselves with harness racing nevertheless remaining more robust than flat racing. The meat sector disappears without finding an alternative use for draught horses. Breeding becomes more focused. In order to remain viable, ridinghorse breeders have been obliged to specialise and become more professional by producing elite sport horses selected at an earlier age on the basis of their potential; the others have abandoned the activity. As a result, better mastering of techniques and economics combined with an early career orientation for animals enables French horse breeders to establish themselves on international markets.

USERS	<ul style="list-style-type: none"> • Wealthy clientele with better gender balance • Middle classes punters
HORSES	<ul style="list-style-type: none"> • Population ↘↘↘ • The horse is a sign of distinction • Specialization in high-end sport/race horses • Strong exports of high-end horses
EMPLOYMENT	<ul style="list-style-type: none"> • ↘↘ employees and ↗ freelance riding instructors • Qualifications in the luxury sector
DISTRIBUTION	<ul style="list-style-type: none"> • Centred in the tourist areas frequented by the elite as well as in areas specializing in the breeding of high-level horses • Activity has decreased dramatically in unattractive areas or in former non-specialized areas • Breeding and training activities have moved to areas less subjected to land pressure
ENVIRON. / BIODIVERSITY	<ul style="list-style-type: none"> • Some grasslands have been turned into arable lands • Little maintenance of scrublands or marsh areas • Loss in landscape quality • Draught horses as well as some breeds of riding ponies and horses have disappeared altogether

FOUR CONTRASTING SCENARIOS TO 2030

The "Everyone on Horseback" and "The High Society Horse" scenarios are based on contrasting evolutions of the economic conditions. In the first scenario, improved purchasing power makes it easier for people to access leisure activities, while in the second, the persistence of the crisis hinders such access for some population categories. As for the two other scenarios, "The Civic Horse" and "The Companion Horse", they are based on evolutions of society which bring quality of life and solidarity to the foreground, in "The Civic Horse", and highlight the strongly growing concern for animal welfare, in "The Companion Horse". These scenarios do not take technology shifts into consideration.

SCÉNARIO 3 • THE CIVIC HORSE •

The horse in public and collective action,
the link between humans, the land and nature

In a context of globalisation and an accelerated pace of life, there is a growing desire to reconnect with nature and with other people. Local and regional public action is responding by backing initiatives promoting horse use to develop the economy, protect the environment and contribute to individual and collective wellbeing. European Union grants, decentralised national funding and the restitution of government racetrack betting levies (over which it again has a monopoly), enable contracts to be signed between municipalities and private and community based equestrian businesses. Although riding for everyone is at the heart of these measures, using horses to maintain the landscape, for farming, social and community services, hippotherapy, education and social inclusion is strongly encouraged. The most popular and profitable racecourses are incorporated into the approach to develop France's riding and horse sport heritage, and the others are forced to close. This multiplicity of uses allows horses to change career paths during the course of their lives, thus limiting the overall requirement for animals. The French market is essentially supplied by qualified French breeders who sell products adapted to the new demand through local networks, developing quality symbols and discipline aptitude certifications.

USERS	<ul style="list-style-type: none"> • Various types of people can benefit from this system, irrespective of their social status
HORSES	<ul style="list-style-type: none"> • Population ↗ • The horse encourages social contact and plays a role in community building • Horses are chosen and trained for different and specific uses to which they are suited • Local supply
EMPLOYMENT	<ul style="list-style-type: none"> • ↗ employees and ↗ ↗ volunteers • Necessity to put together various competences (psychosocial competences and knowledge of horses, public service and driving or riding...)
DISTRIBUTION	<ul style="list-style-type: none"> • Activities more or less strongly developed, depending on projects, specificities and local cultures of the territories
ENVIRON. / Biodiversity	<ul style="list-style-type: none"> • Contribution to landscape quality and organic farming • Maintenance of forest areas or grasslands, improvement of plant biodiversity • Reduced pollution through the use of horses in towns • Preservation of local breeds, used for various purposes and then considered as part of the heritage

SCÉNARIO 4 • THE COMPANION HORSE •

From exploiting to caring for animals -
the quest for animal welfare

Society's perception of nature and animals has evolved considerably over the last few decades. The horse has become a lifetime companion that people love to care for, and respected in its own right. Owners visit equestrian centres to learn about horse behaviour and how to look after their horses, and are introduced to activities on foot or on horseback practised in competitions. In parallel, the population's concern for animal welfare has led to a ban on the consumption of horsemeat and regulations concerning equestrian practices have been tightened. As a result, owning and breeding are regulated while rules governing equestrian competitions and horse sports have been tightened to reduce animals' suffering. The racing sector, already transformed by the complete liberalisation of betting, has gone further, organising virtual races in parallel to real ones that take place on about twenty hi-tech racecourses integrated into casinos. Breeding horses is above all a leisure pursuit for private owners; nevertheless, some breeders who were previously passionate about performance now produce horses capable of long sporting careers and, at the same time, with specific aesthetic characteristics. A market for inactive horses has developed on the internet, meeting the growing demand for horses as companions. The horse population is ageing and is replaced very slowly.

USERS	<ul style="list-style-type: none"> • Diversified public, with a majority of women, regardless of social status
HORSES	<ul style="list-style-type: none"> • Population ↘ • Emotional relationship comes first • Choice based on "personal feeling" and driven by the horse's aesthetic characteristics, temperament or sporting abilities • Local supply and imports of horses with uncommon colours or aesthetic characteristics (i.e.: Appaloosa or Friesian horses...)
EMPLOYMENT	<ul style="list-style-type: none"> • ↘ Instructor jobs and ↘ ↘ jobs in racehorse training • ↗ Advice on breeding / ethology / animal care • ↗ Veterinary services
DISTRIBUTION	<ul style="list-style-type: none"> • Any rural or peri-urban area with available grasslands • Sanctuaries for endangered horses or for elderly horses reaching the end of their lives
ENVIRON. / Biodiversity	<ul style="list-style-type: none"> • Maintenance of grasslands by horses at the end of their career • Preservation of breeds used for specific purposes or presenting the desired characteristics (size, colour...)

LESSONS LEARNED FROM THE SCENARIOS

→ Strongly contrasted possible futures for the horse industry in 20 years' time

All four scenarios lead to differences in the size of the equine population: maybe twice as many horses as today, in the "Everyone on Horseback" scenario, or half as much in "The High Society Horse" scenario. Businesses, facilities, as well as the types of employment would also be very different (cf. those in "The Civic Horse" scenario). Likewise, the location of horses in the French regions or the categories of rural areas would differ to a great extent...

→ Shared issues and concerns

- **The human-horse relationship: a key element worth taking into account and understanding.** This bond, which exists under various forms in all the scenarios, shows the extent to which the place of horses has changed in society. A better understanding of the needs and expectations of the different groups of people who spend time around horses is a common necessity.

- **The "economic efficiency" of the horse industry called into question.** All the scenarios are exposed to high costs in terms of horse production and equestrian services in France. They also reveal the organisational problems met by both the businesses and stakeholders in the horse industry. If nothing changes, the development of new uses and activities is likely to become highly dependent on the variations in the economic context as well as on more foreign competition.

- **All the scenarios are exposed to looming environmental challenges and pressure on resources.** The horse industry has attractive features as indeed, in comparison to other herbivores, equines present a greater interest in terms of emission of greenhouse gas, use of grasslands and contribution to landscape improvement. However, there is a real risk of erosion of biodiversity. Indeed, the purely commercial approach which encourages a use-based standardisation and a loss of pure-bred animals could widen the threat that exists today on draught horse breeds. Competition between activities that require a lot of space will also become more acute in a context of growing pressure on resources and land use.

- **Health, animal welfare and caring for animals up to and beyond death: issues still relevant today.** The common strong trend -with variable intensity, depending on the scenario- is towards a growing demand for medicalization, health monitoring and animal welfare. As for health issues, they remain unchanged whichever the scenario: hazardous emerging diseases can develop regardless of the size and distribution of the horse population across the territory. In all four scenarios, caring for animals up to and beyond death represent major issues that will require a specific approach in terms of animal welfare as well as alternatives to slaughtering and rendering.

WHAT ARE THE PERSPECTIVES FOR PUBLIC POLICY, RESEARCH AND DEVELOPMENT?

- **The necessity to rebalance public policy** between European governance, which increasingly integrates the horse into its field of application, and local action, backed by regional and local authorities that provide increased support and funding for the development of activities which the territories could benefit from by using the horses. The refocusing of national public policy core tasks leads to a shift in responsibilities as well as to a new organisation of collective action so as to support activity changes.

→ This scenario-building exercise calls for the development or strengthening of four research pathways

- **Animal behaviour:** temperament traits, decisive factors and indicators of wellbeing... are key elements which help to better understand the human-animal relationship with a view on selecting horses suited to the needs of users. The understanding of this relationship can also encourage the development of innovative training methods for horses, help optimise performance and contribute to a longer sport career.

- **Improved understanding -at technical, economic and social levels- of stakeholders** breeders, equestrian businesses) and users (expectations, representations,...) as well as of the way they are organised so as to improve both the efficiency of the horse industry and the match between supply and demand for equestrian services.

- **Genetic improvement** will help determine abilities of horses at an early stage, in order to find the best possible match between the horse and its use and better satisfy the expectations of the users. The analysis of phenotypes, and of genetic profiles through genomic tools, should provide additional input.

- **Stud farm management** with the objective of integrating the horse in an approach based on sustainable development (grassland management, assessment of environmental impact and ecosystem services).

→ Two main axes for development and transfer

- Development of a reliable **disease surveillance network** taking into account the fact that horse health monitoring also includes the monitoring of individuals as well as complete traceability.

- Development of a **network of technico-economic register** of breeders and equestrian businesses that will be used as a base for innovation transfer and collective appropriation.

RESOURCES

The project was supervised by a steering committee. It was carried out both by a project team and by a working group of experts in a variety of disciplines. This group met on 11 occasions over an 18-month period in order to build four exploratory scenarios. Interviews of key stakeholders of the equine industry, conducted by the project team, brought additional input to the group's reflection: 25 economic stakeholders, 21 representatives of socio-professional organisations, 8 professional teachers or researchers and 8 experts from ministries as well as from the French Horse and Riding Institute (IFCE) were interviewed. What is more, the workshops set up in the Basse-Normandie, Ile-de-France and Languedoc-Roussillon regions, allowed the diversity of the scenarios according to regional specificities to be illustrated. This active involvement of individuals engaged in the horse worlds shows their interest for collective thinking. We therefore sincerely thank them for their valuable contributions.

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Download the full report (in French) at:
<http://www5.paris.inra.fr/depe/Projets/Filiere-equine>



ECOLE NATIONALE d'EQUITATION
Le Cadre Noir de Saumur



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