

The Brexit CONUNDRUM

Hard or soft? Now or later? Only time will tell exactly how Brexit plays out but it could have a serious impact on British racing and breeding. PAUL GREEVES, Deputy Chairman of the Thoroughbred Breeders' Association, explains how the industry, led by the TBA, is rising to meet the challenge

Why has the TBA taken the initiative in tackling the Brexit issue and its possible consequences for the British racing and breeding industry?

The TBA board recognised very early on in the post referendum days that the decision to leave the EU could, and probably would, have a significant effect on the activities of its members. It was realised that whilst racing would likely face change, the TBA's members oversee the greater part of the life of a thoroughbred. The board was therefore very clear that it should take the initiative and lead the early work and response. The board's constitution, which brings together six elected trustees plus six co-opted chosen to provide a range of relevant skills and experience, provided a relevant pool of knowledge about the industry's needs. As a result there was an early appreciation at the TBA of the subject areas that had to be exposed in the context of Brexit and its range of potential consequences.

What work has the TBA done so far?

The TBA started by commissioning a report aimed at identifying all the areas of potential change, together with the necessary compendium of existing legal and technical processes which surround the European Union's directives and decisions. These provide the framework for movement of horses, trade, employment, veterinary care and welfare and financial transactions, plus a whole further list of such items.

This report was prepared for us by Scientalis and by its principal Tim Morris, who we have retained over many years to advise on parliamentary matters. It arrived at the TBA at the end of March and was shared with a number



TBA Deputy Chairman Paul Greeves is at the forefront of racing's Brexit talks with the free movement of horses (above) the key area of discussion

of key organisations and stakeholders; these included the British Horseracing Authority, Weatherbys and the European Federation of Thoroughbred Breeders' Associations (EFTBA), whose members have indicated that a positive outcome from Brexit is equally as key to them as it is to our own thoroughbred industry. The TBA is very aware that its members do business not just domestically but on a European, even a global scale.

Naturally we were intent on first working closely with our own government and had started a process of consultation when the general election intervened so we had to pause, but we will be active again on this front as soon



movement/transport, people movement, plus animal health, welfare and identification. There is a great deal to do!

As things stand, what are the biggest challenges that Brexit could bring?

The challenges are many and more are likely to emerge as Brexit negotiations move on. We have identified four key areas as things stand. We are used to free movement of thoroughbreds across Europe and particularly between ourselves, Ireland and France under the Tripartite Agreement – that includes an absence of trade barriers, common documentation and simple free movement for thoroughbreds. Taxation is, as ever, an area of concern, but we have Peter Mendham on our board, an acknowledged expert on all such matters. He is leading for us in this area. We do know that, post-Brexit, for racing animals, especially geldings, it is likely that the standard World Trade Organisation 11.5% tariff could be levied.

However, it is the prospect of the UK becoming a 'Third Country' when we leave the EU in the spring of 2019 that is of particular concern – this would bring both tariff and non-tariff barriers unless we can find solutions that ensure that our industry can continue to work in a favourable business environment.

Why is the movement of horses your number one priority?

Because the racing and breeding industry today is truly international and in our case has evolved to rely upon and expect simple and unhindered horse movement in Europe. We know and understand that breeders here can

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now select matings that involve sending mares to Ireland, France and even further afield. Young stock cross the Irish Sea to be reared and our sales catalogues attract numerous entries from Ireland and elsewhere. Racehorses are declared to run abroad without the need to think about any barriers to travel. A hard Brexit would see this free and easy horse movement evaporate.

Should we fail to preserve or come close to preserving what we have, travel of horses outside this country would require full animal health certification and entry could be only via official Border Inspection Posts (BIPs), where veterinary inspection would have to be carried out for horses entering any EU country from the UK. Extra costs and delays would be inevitable for UK exporters sending horses to Europe and for UK horses going racing, with the same applying to EU horses coming here if all this were reciprocated by the UK. Existing BIPs are very limited in number and can be some considerable distance from racecourses and from breeding centres. Horse movement as we have come to expect it would be no more. This is why it is our number one priority as thoroughbred businesses would most definitely suffer a reverse.

The Tripartite Agreement and/or Principle of Equivalence is absolutely key. Discuss...

We are very aware that should we go to government simply highlighting potential difficulties we cannot expect to get far. We have to help them to help us. We have to offer solutions. This is why these two items are very much a part of our thinking.

The Tripartite Agreement on equine movements between Britain, Ireland and France pre-dates EU law and UK and Irish entry to the EU. It is a three-way recognition of the high standards of care of thoroughbreds in these countries permitting free movement of both racing and breeding stock. The preservation of this agreement would go a long way to avoiding damaging barriers.

Equivalence is one of those technical terms to be found in our glossary. The European Commission can recognise that a Third Country's rules and practices in specific business areas are in compliance with its rules. So, if we can show that after we leave the EU we continue to have standards of the highest order in supervision of thoroughbred health, welfare and traceability, we could seek reciprocal removal of barriers to free movement of horses to and from all EU countries. Such a concession will not be achieved easily and we will have to re-double our efforts in these areas. We have agreed with the BHA and Weatherbys that we need to introduce a system next year which requires that breeders notify the arrival of a foal within 30 days of birth, to strengthen our records of thoroughbred whereabouts and bring them at least in line with best practice already present in a number of EU countries.

In what ways could a hard Brexit impact on the breeding community?

I have highlighted that a hard Brexit would see the UK treated as a 'Third Country' and without