



HORSE RACING
IRELAND



**‘Regulatory Reform in a Changing Environment’
The Irish Experience**

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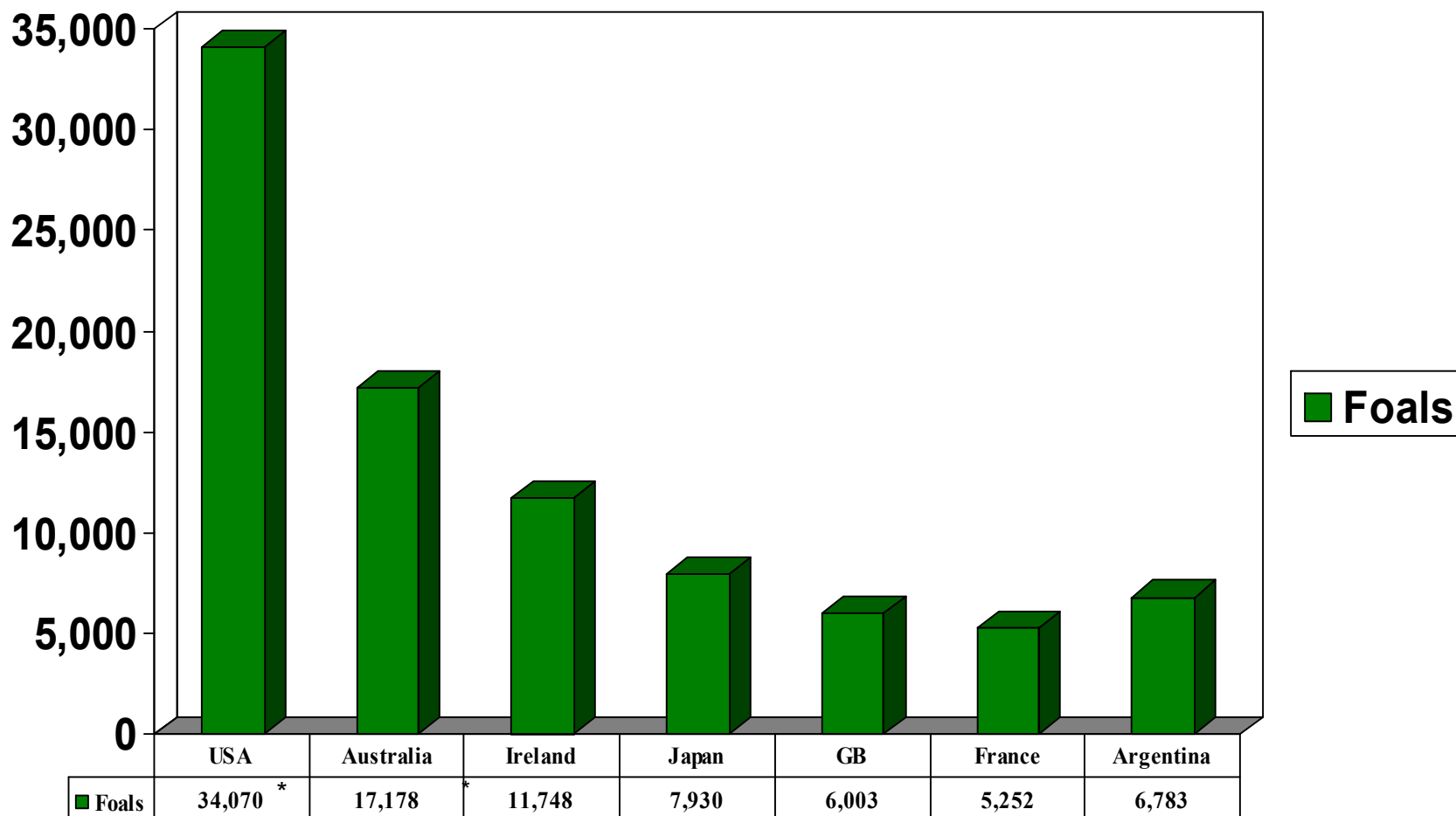
HORSE RACING
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27 IRISH RACECOURSES





















FOAL POPULATION BY COUNTRY 2005



**Estimate*



Ireland's GDP

Member State sorted by <u>GDP</u>	<u>GDP</u> in billions of \$ (USD) (real exchange rates) (2004)	GDP % of EU (2004)	GDP per capita in <u>PPP</u> \$ (USD) (2006 est.)	Public Debt % of GDP
 <u>European Union</u>	12 690.6	100.0%	28 477	63.8
 <u>Germany</u>	2 714.4	21.4%	31 572	66.0
 <u>United Kingdom</u>	2 140.9	16.9%	31 628	41.6
 <u>France</u>	2 002.6	15.8%	30 322	65.6
 <u>Italy</u>	1 672.3	13.2%	29 727	105.8
 <u>Spain</u>	991.4	7.8%	27 542	48.9
 <u>Netherlands</u>	577.3	4.5%	32 062	55.7
 <u>Belgium</u>	349.8	2.8%	32 500	95.6
 <u>Sweden</u>	346.4	2.7%	31 235	51.2
 <u>Austria</u>	290.1	2.3%	35 002	65.2
 <u>Denmark</u>	243.0	1.9%	36 079	42.7
 <u>Greece</u>	203.4	1.6%	23 519	106.5
 <u>Finland</u>	186.6	1.5%	32 822	43.6
 <u>Ireland</u>	183.6	1.4%	42 859	29.9
 <u>Portugal</u>	168.3	1.3%	19 949	61.9
 <u>Luxembourg</u>	31.1	0.2%	72 945	7.5



HORSE RACING
IRELAND



IRISH RACING AUTHORITIES



HORSE RACING
IRELAND

Horse Racing Ireland



Turf Club



**Association of Irish
Racecourses**



HORSE RACING
IRELAND



HORSE RACING IRELAND -MISSION STATEMENT-

**To develop and promote Ireland as a world centre of
excellence for horse racing and breeding**





Regulation – The Irish Experience

REASONS FOR THE ESTABLISHMENT OF HORSE RACING IRELAND

Pre 2001

- Racecourse infrastructure out of date
- Ireland not competitive in prize-money
- No income stream from off-course bookmakers
- Racing administration split over two bodies
- Our best horses were being exported

New funding arrangements demanded new administrative structures answerable to the state as shareholder



ROLE OF HRI

- Horse Racing Ireland is the National authority for racing in Ireland
- It was established by the Irish Government in 2001 to promote and develop thoroughbred horse racing
- It is responsible for the overall administration of horse racing in Ireland
- It also operates four racecourses, a Totalisator betting subsidiary and an international Thoroughbred Marketing company



Regulation – The Irish Experience

HORSE & GREYHOUND RACING FUND

- The key to the establishment of Horse Racing Ireland was the introduction of the Horse & Greyhound Racing Fund.
- This Fund is credited each year with the excise duty levied on off-course betting from the previous year or the year 2000 figure increased by CPI (whichever is the higher). This Fund is then allocated 80% to horseracing and 20% to greyhound racing.



BOARD OF HORSE RACING IRELAND

	Government Appointment
➤ Chairman	
➤ Turf Club	5 nominees
➤ Persons Employed in the Industry	2 nominees
➤ The Industry in Northern Ireland	1 nominee
➤ Thoroughbred Breeders	1 nominee
➤ Authorised Racecourses	1 nominee
➤ Authorised Bookmakers	1 nominee
➤ Racehorse Trainers	1 nominee
➤ Racehorse Owners	1 nominee



EFFECTS OF THE ACT 2001

- Racecourse Capital Development spending over €300m (\$390) 2003-2009
- Irish prize-money pool grew over 100% to €51m (\$67m)
- Basis of funding linked to off-course betting
- One body (HRI) now speaks for Irish Racing
- Ownership growth of 25%



Regulation – The Irish Experience

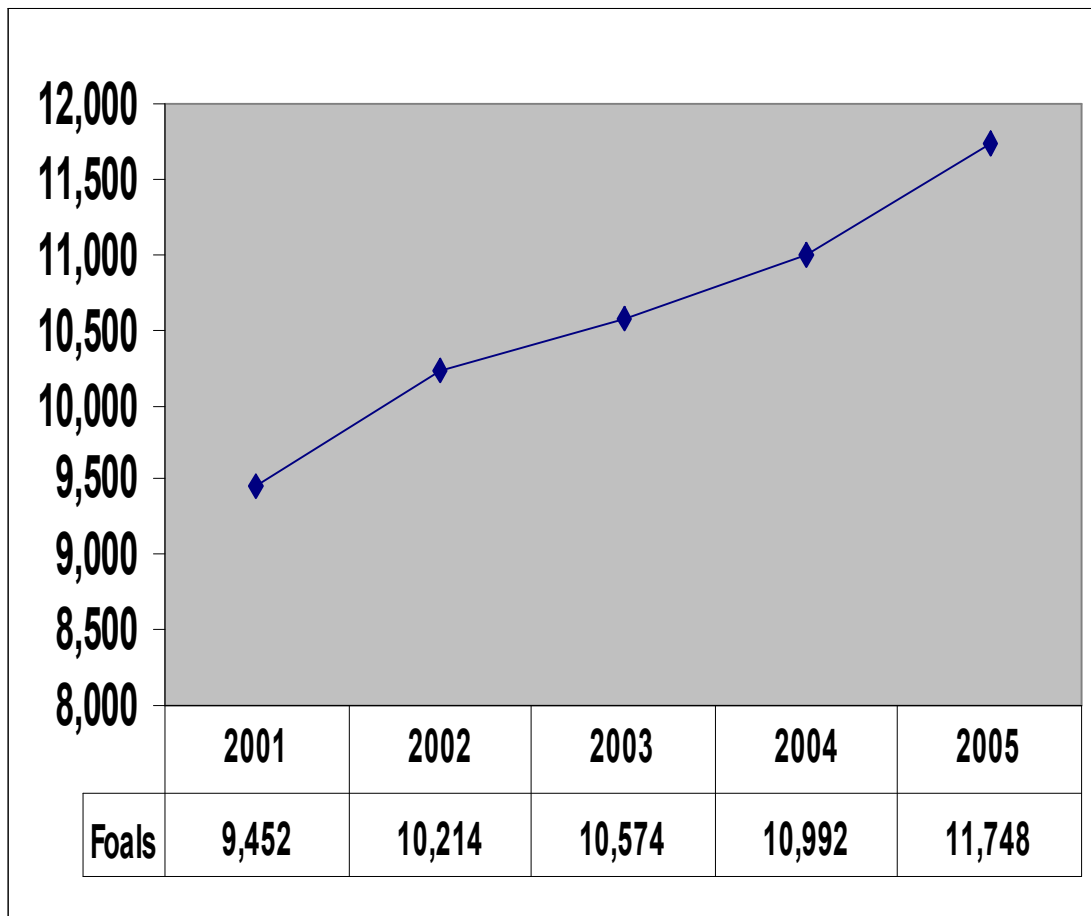
The Irish Turf Club (Racing Regulatory Body)

- The ‘Governing Body’ became an exclusively Regulatory Body after 2001
- Functions now enshrined in legislation
- Independent role confirmed

‘Solely and Independently responsible for the rules of racing’



FOALS BORN 2001 - 2005

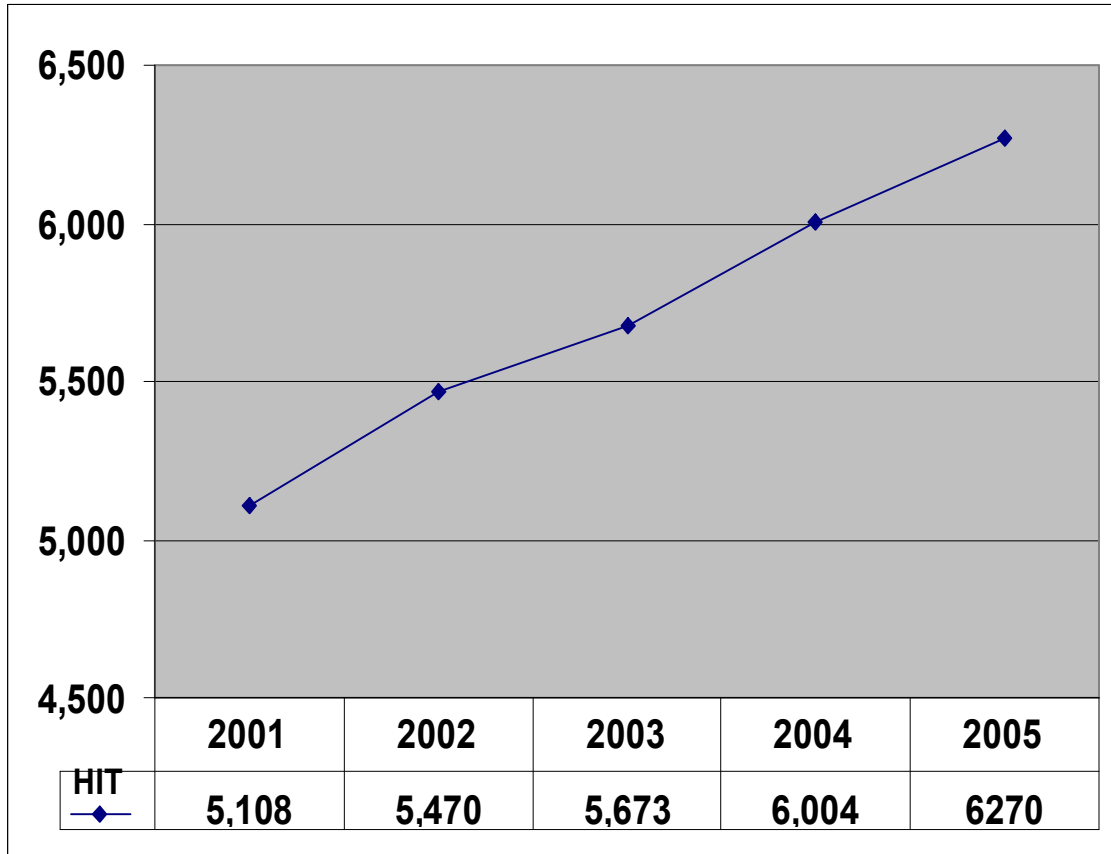




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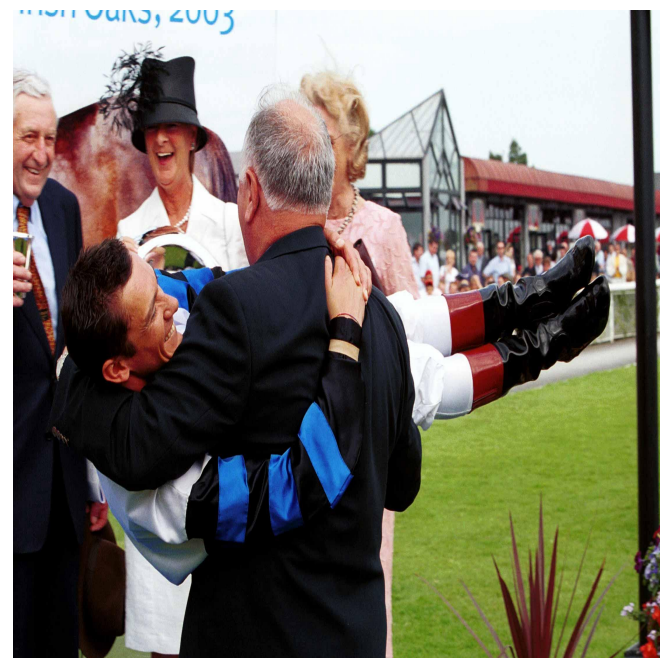
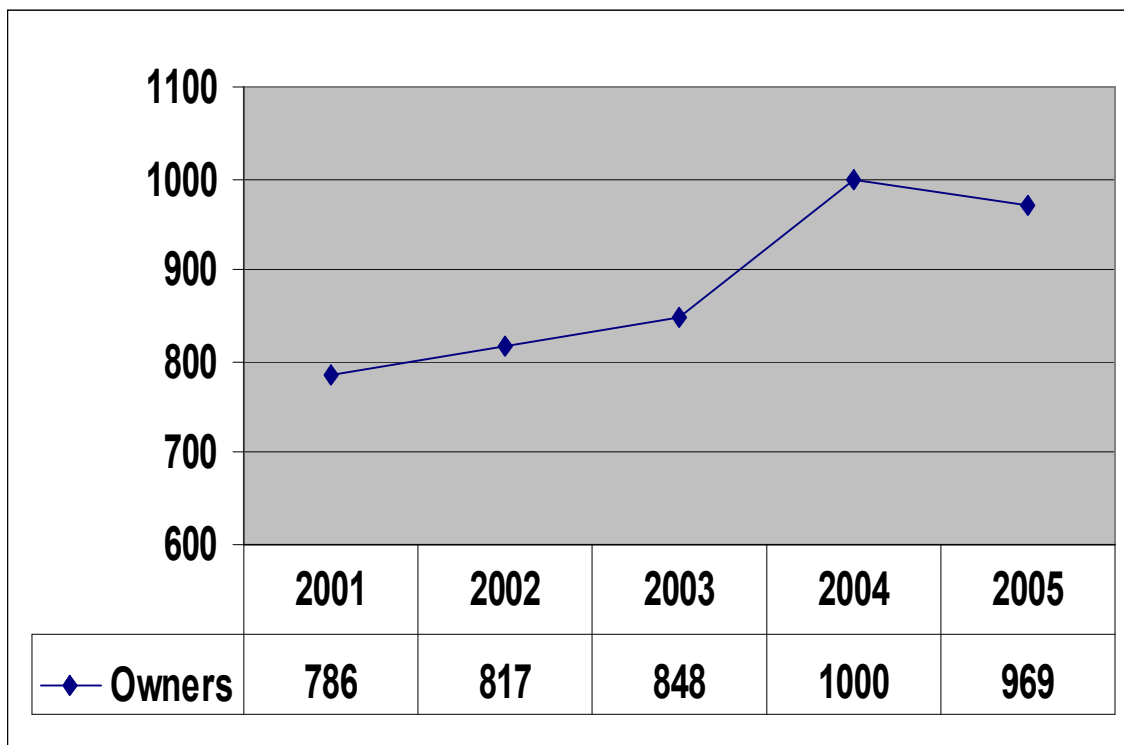


HORSES IN TRAINING 2001 – 2005



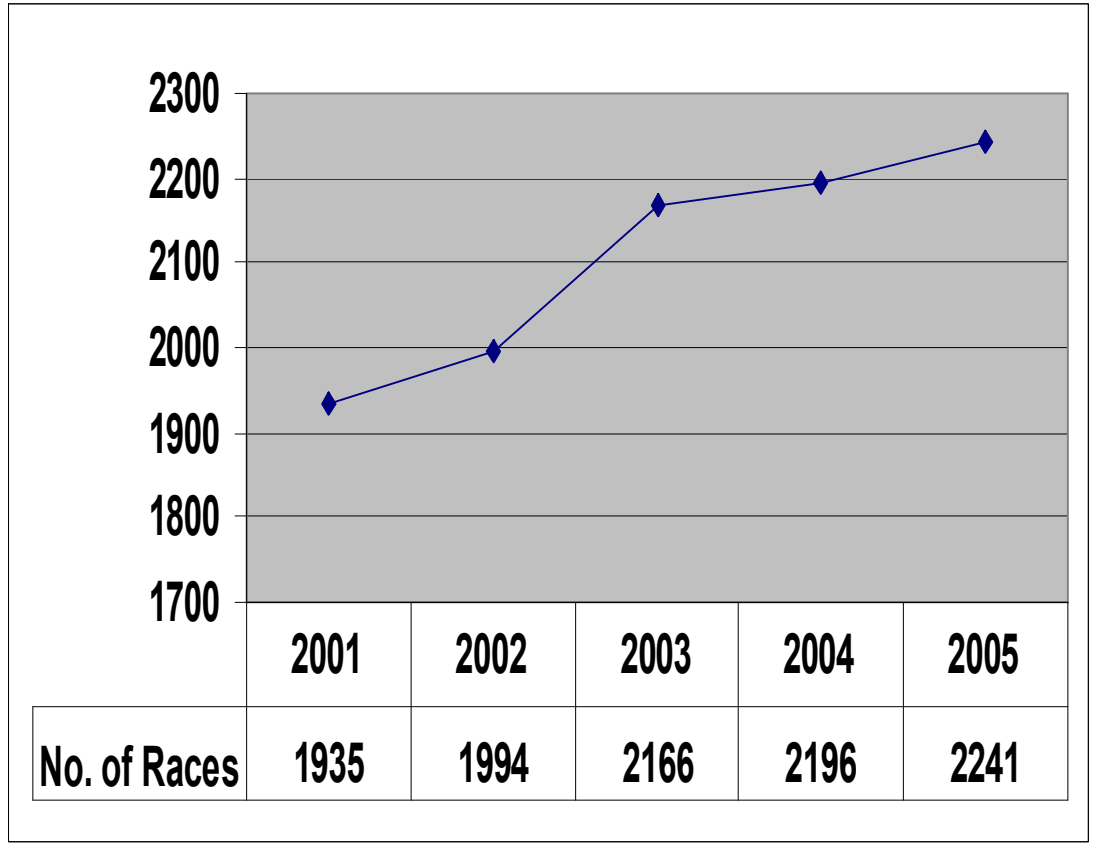


NEW OWNERS REGISTERED 2001 – 2005





TOTAL RACES 2001 - 2005





GOVERNMENT SUPPORT

“This transformation in the fortunes of Irish Horse Racing has come about through hard work, planning and a unified approach across the industry. With the establishment of Horse Racing Ireland in 2001 the Government had an effective vehicle to utilise the significant resources it was willing to commit, funded largely by the duty on off-course betting.”

Bertie Ahern (An Táoiseach) 13th June 2005



SO EVERYTHING'S OK THEN?

- Re-emergence of the 'free rider' problem with bookmakers
- Duty on off-course bookmakers reduced from 5% to 1% due to pressure from on-line and off-shore betting
- Government money now needed to make up the shortfall in revenues for the Fund
- Need to capture duty on all forms of betting



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Thank You

www.hri.ie

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