

Law and Facts

International Horse Trading



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A huge international market

The international trade of horses and racehorses is a significant segment of the equine industry, involving the movement of thousands of horses annually with an estimated value of more than a billion US\$, involving many jurisdictions and therefore posing legal and veterinary as well as equine welfare issues. This trade is driven by factors such as breeding quality, performance and market demand. In the last months, the most expensive publicly reported horse sale was *Palladium*, a four-year-old colt purchased for US\$ 1.4 million in October 2024. This acquisition set a record for the highest price paid for a racehorse. *Palladium*, owned by Lady Bamford¹⁾, made a successful debut in January this year. Horses can be hugely expensive, examples are *Fusaichi Pegasus*, who remains the most expensive horse ever sold, fetching an eye-popping US\$ 70 million in 2000. Other notable sales include *Justify* at US\$ 60 million and *Shadreef Dancer* at US\$ 40 million.

Amongst the top cross-border country transactions are from Ireland (EU) / UK to the United States, as these two countries are prominent exporters of thoroughbreds, especially for major racing events like the Breeders' Cup. Ireland exported live purebred breeding horses valued at approximately US\$ 406 million, while the UK exported around US\$ 372 million worth in 2023²⁾. The Netherlands, interestingly as commonly not so well known for horse breeding, exported in 2024 horses valued at € 457 million, with the United States as a big trading partner³⁾. The next biggest trade link is Australia to Hong Kong, because in Hong Kong breeding is restricted, but horse racing is very popular. Lastly, there is a big export from France to the Middle East, namely UAE and Qatar.

There are an estimated 58 million horses on the globe, and alone at equestrian events – jumping, dressage, Fédération Equestre Internationale racing – this year there will be a turnover of US\$ 150 billion worldwide⁴⁾. That's about the

wealth of Warren Buffett or the annual GDP of Morocco with nearly 40 million inhabitants. Alone in betting, which is a separate industry, about US\$ 115 billion is wagered, especially at big events like the U.S.-based Kentucky Derby.

The European equine industry itself has an estimated annual economic impact of over € 100 billion, providing more than 400,000 jobs across various sectors. These figures include contributions from different areas including breeding, equestrian sports, horse-related services and horse events. They also underscore the significant role of the equine industry in Europe's economy and capital investment process.

Investing in sport horses is not just about numbers. It can be a lifestyle, access to an elite world, prestigious events and people with great passion for the horse athlete and its activities. Transactions related to horse purchase and sale can be indeed lucrative and exciting; however, it is also a demanding market that carries unique risks and requires a

deep understanding of the equestrian world. The horse industry continues to grow; therefore, it is essential to focus on horse purchase on safe terms that protect the interests of both parties of the transaction and the welfare of the animals themselves.

Switzerland – homeland of equestrian tradition

Horses are integral to Swiss culture, symbolising a legacy of grace, endurance and precision. Swiss riders succeed in prestigious events, including the Olympic Games. For example, at the 2024 Summer Olympics in Paris, Swiss show jumper Steve Guerdat delivered an outstanding performance, securing the silver medal in the individual jumping event aboard Dynamix de Belhème. In a thrilling jump-off, Guerdat completed a clear round but incurred 4 penalty points, finishing just behind Germany's Christian Kukuk, who clinched gold with a flawless ride.

The country hosts several major international equestrian events like the CHI Geneva (Rolex Grand Slam of Show Jumping) and Longines FEI Jumping World Cup Final 2025 in Basel. Switzerland can also boast with recognised horse breeds such as the Swiss Warmblood and the famous Freiburger, which has a long tradition in the Swiss military. Established in 1898, the Swiss National Stud Farm Agroscope (SNSF)⁵⁾ in Avenches serves as the federal centre for horse breeding and equine professions. The centre has three main tasks: training (for veterinarians, agronomists, stable managers, farriers etc.), research in the field of equestrian sports and the promotion and support of the Franches-Montagnes breed, the only typical Swiss horse. The centre hence plays a pivotal role in preserving and promoting Swiss horse breeds. Economically, the Swiss horse industry generates an estimated € 1.7 billion annually and supports 13,000 full-time jobs.

Horse transactions are demanding

International horse sales in Europe are a well-developed market segment that includes sport, breeding and recreational horses. Among the most active countries there are, as explained further above, Germany, the Netherlands, Bel-

gium, Switzerland, Great Britain and Ireland, France and Poland, especially due to competitive prices relative to their good quality. The sale of horses in Europe takes place between different categories of investors such as private owners, breeders, studs, equestrian clubs and auction houses. The European horse market requires high-performance sport horses, particularly to compete on the international level, and so the international horse sales including horse auctions are top quality in terms of their organisational and legal frameworks.

A model international horse purchase transaction is a complex process, including presentation of the horse by video, documentation, sports results, a veterinary examination (the "vet check") and finally a sales contract. In an ideal situation, the vet check – which is a key component – is performed by an independent specialist and is attended by both the seller and the prospective buyer, so the veterinarian can discuss his remarks when verifying the condition of the horse. The vet checks are intended to assess the health and soundness of the horse before the sale is finalised, helping to mitigate risks for both parties of the transaction. In some EU jurisdictions, local law may even impose an obligation to conduct pre-purchase veterinary examination; therefore, it is always essential to verify the local law requirements with a competent lawyer.

It should be ensured that the horse is suitable for the planned purpose, which is especially important in emotional purchases. Among other key elements of a horse sale and purchase agreement there are rules related to warranty for defects and liability, conditions of transport and insurance. As the purchase price may range even to millions of euros, the provisions on advance payment and escrow services should be considered, providing a neutral third party to hold the funds until all the terms of the contract are fulfilled. In each case, the relevant tax regulations should be verified. Especially, VAT on the export of horses from EU to non-European countries may be confusing for the parties of business-to-business transactions. In case of international transactions, it is also essential to choose law and court in case of any disputes.

Agreement on the conditions of delivery of horses, including a party responsible for transport and means of horse transport, is crucial in case of international sales. Depending on the final destination, horse transport requires appropriate travel documents, health certificates, quarantine requirements and customs documentation/formalities. The transport of horses between countries is carried out with the help of specialised companies, including airlines. Here, animal protection and equine welfare comes into play, to be certain that the horse feels taken well care of during transport.

Protecting the welfare of the horses

Continued economic growth for sport horses, racehorses and breeding industries is predicated on the ability to move horses as freely as possible. Horses must be of permanent high health and welfare status to allow such movement to prevent disruption to competition, breeding or international transactions and to protect above all the welfare and not only the high value of these horses.

The topic discussed above brings together several important subjects related to horses: global commerce, animal rights and legal frameworks. It is only their joint combination that allows a given horse transaction to be carried out in a proper and safe manner for the benefit of all its participants, including and especially the animals concerned.

- 1) <https://galopponline.de/top/derbysieger-palladium-verkauf-auf-arc-sale-fuer-14-millionen-euro/>
- 2) <https://wits.worldbank.org/trade/comtrade/en/country/ALL/year/2023/tradeflow/Exports/partner/WLD/product/010111?>
- 3) https://www.cbs.nl/en-gb/news/2025/07/exports-of-horses-worth-457-million-euros-in-2024?pk_campaign=social_share
- 4) <https://scottmax.com/horse-industry-statistics-to-know/>
- 5) <https://www.avenches.ch/de/P6409/das-schweizer-nationalgestuet>

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