

LEGAL AND VETERINARY JOURNAL

CHINESE EQUESTRIANISM
LEAPING FORWARD

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Active in the fields of company law
and equine law. Within the equine
law practice, Luc Schelstraete
provides services to Dutch yet
often also foreign equine
businesses, riders, horse owners
and equine authorities.

Mr Luc Schelstraete and Mr Piotr
Wawrzyniak of European-US Asian
Equine Lawyers attended the first
Sino-European Exchange Seminar

on equine industry that was
organized on 28 April 2016 in
Shanghai, China, and would like to
report to our readership on its
outcome. Usually in this column we
write about legal and veterinary
cases that we have been dealing
with. In today's column we will though
present our readership with an article
that goes beyond that. Our article
refers to the aforementioned seminar.
The seminar was organized parallel
to and under the auspices the
Longines Global Champions Tour.
The seminar aimed to introduce
top-level resources and experience in
the equestrian industry from Europe
through international equestrian
events so as to establish a platform
of exchange and interaction. The
seminar gathered many interesting
speakers and was titled "leaping
forward", a title that is very applicable
to what China manifested in various
fields during the recent decades. The

Chinese wish to learn from the
experiences of the well-established
equine nations in Europe like among
others the Dutch and the Germans.
The seminar was organized by Cross
China New Media (Beijing) Co. Ltd
and hosted by Shanghai Juss Event
Management Co. Ltd known among
others for organizing of the Formula 1
UBS Chinese Grand Prix and the
Global Champions Tour in Shanghai.

GROWING INTEREST

The seminar showed the growing
interest of the Chinese in the equine
business and sport. The
equestrianism has been developing
very fast in the recent years in China.
China reported recently a growth of
30 percent when it comes to
importing sport horses into China and
this growth shall be sustainable. Not
without a reason, jockey clubs are
being established in many cities
across the mainland China. This

growing interest was at the same time
illustrated by the immense popularity
and publicity that was given to the
Global Champions Tour in Shanghai.
Literally, the whole city of Shanghai
lived with the event prior to the
weekend on which the GCT event
took place. The GCT event was held
at the beautiful venue of China Art
Museum, one of the landmarks of
Shanghai, and attended a lot of
visitors from all over China.

Equestrianism is associated with
luxury lifestyle in China which
explains why one of the co-sponsors
of the Longines Global Champions
Tour in Shanghai was Noblesse, the
leading luxury lifestyle magazine in
China

QUARANTINE ZONE

The seminar began with explanation
of the Chinese entry and exit policies
and the quarantine of sport horses in
China that was given by Mr Liu



The Longines Global Champions Tour in Shanghai draws a big crowd.



Promoting the sport among the youth is of great importance.

Jinlong, deputy director of animal and plant quarantine division of the General Administration of Quality, Supervision, Inspection and Quarantine of the People's Republic of China. In this respect it should be noted that the GCT event is very unique for China. The cooperation between the Chinese authorities and the GCT led to creating a special quarantine zone in Shanghai where the horses competing in the GCT were stalled and where any risks related to contacts of with the local horse population were prevented. Such allowed the horses to enter the mainland China prior to the GCT event and to leave such directly after the competition so that they could travel onwards to other GCT events held in other places all over the world. Summarizing the presentations of Mr Yao Congbin, the official veterinarian of the GCT event in Shanghai, and Mr Sin Bin, Deputy Director of Shanghai Animal Husbandry and Veterinary Office, it can be fairly stated that the cooperation between the organization of the event and the Chinese authorities is one of the key success factors of the GCT event in Shanghai. On his turn Mr Martin Atock of Peden Bloodstock explained the complicated logistic process behind the organization of the GCT events around the world and various factors (like for instance time zones, veterinary rules and schedules) that must be taken into account to ensure that the horses are delivered to the venues of the GCT timely and in top condition in order to compete.

GOOD INFRASTRUCTURE

In his speech Mr Jan Tops, the founding father of the GCT, enthused the attendants of the conference talking about the basis of the equestrian sport in Europe. Mr Tops in his speech underlined the importance of a good infrastructure and the starting development from the very basis. According to Mr Tops the importance of the local pony clubs and riding school (as known in continental Europe, more in specific in the Netherlands and Germany) should not be underestimated. Developing the interest for the sport among children, letting them to enjoy themselves and to have fun while riding horses is crucial to achieve later successes in the sport. Hard work, dedication and discipline are important factors for a later equestrian career. Mr Tops also underlined the egalitarianism of the equine sport. In the end the equestrian sport is one of the few that lets men and women directly in the same classes.

EUROPEAN CONTINENTAL LAWS

Mr Luc Schelstraete and Mr Piotr Wawrzyniak set out the risk management of doing equine business in Europe discussing trade related issues such as pre-purchase examination, commission, the position of the trainer, disclosure of the seller and the conclusion of the purchase agreement. It must be noted in this respect that due to cultural and legal difference it may be sometimes quite hard for the Chinese

to understand the equine business in Europe, whereby as far as sport horses are concerned, Europe remains the main exporter of them to China. Additionally, the Chinese veterinary regulations make it in many cases – according to the Chinese attendants of the seminar – very difficult if not impossible to return horses back to Europe in the event of any defect or non-conformity of the horse in question. Mr Luc Schelstraete pointed out in his presentation that a possible solution for a such legal and factual problem could be for instance a claim aiming for the reduction of the purchase price or claiming damages. Next to the annulment of the purchase agreement these remedies are also available for a buyer under the European continental laws. Furthermore, Mr Luc Schelstraete pointed out in his presentation that it might be worth considering for the Chinese owners and investors to incorporate a company in Europe in order not only to mitigate the reported problems but also to have the horses bred, stabled, trained and competed in Europe. In this respect also the incorporation process of a legal entity and the VAT related issues were discussed.

further development Mr Huang Zuping, the former coach of the national team and the competitor of the 2008 Olympic Games together Mr Chang Wei, former Secretary General of the Chinese Equestrian Association, explained the current standing of the

equestrian sport in China and underlined the need for creating a pro-found basis for the further development of the sport in China and in order to allow Chinese riders to compete successfully at the very top level in international events. In this respect China needs to sustain the growth, to invest in riding schools, clubs and to attract know-how by for instance increasing the number of European trainers and/or by sending Chinese riders for education in Europe.

LEAP FORWARD

The seminar ended with a panel discussion in which Mr Fred van Lierop, the GCT event director, Mr Chang Wei, Mr Huang Zuping and Mr Luc Schelstraete answered various questions of the attendants and discussed their experiences in the business. Concluding China is making a leap forward in the equestrian business and sport. With new jockey clubs, new venues and equestrian events across the country it is only a matter of time that China will belong to the top of the equestrian nations worldwide. The seminar is to be followed by the second edition next year during the GCT event and we are looking forward to learn and to see how much progress China will make within a year from now. ■

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If you have any questions and/or comments after reading this article, we would be happy to hear from you. You can also contact us for all equine-law related questions or matters. Please contact us by e-mail via info@europeanequinelawyers.com or telephone on +31-(0)135114420.

