Translator's notice

Unofficial translation for information only. This is a translation of the historical draft marked Moscow, 2019, with a planning horizon up to 2025; it is not an updated or approved strategy. Names are transliterated, not certified passport spellings. Handwritten signatures are described, not reproduced or certified. Translator's notes are clearly identified and are not part of the original text.

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MINISTRY OF AGRICULTURE OF THE RUSSIAN FEDERATION

STRATEGY FOR HORSE BREEDING DEVELOPMENT IN THE RUSSIAN FEDERATION FOR THE PERIOD UP TO 2025

Moscow, 2019

STRATEGY FOR HORSE BREEDING DEVELOPMENT IN THE RUSSIAN FEDERATION FOR THE PERIOD UP TO 2025

I. General provisions

The Strategy for Horse Breeding Development in the Russian Federation for the Period up to 2025 (hereinafter, the Strategy) provides for a systematic approach to addressing the development of domestic horse breeding, resource and financial provision, and mechanisms for implementing the Strategy's measures and indicators of their effectiveness.

The Strategy has been developed in accordance with the Constitution of the Russian Federation, taking account of the provisions of Federal Laws of 28.06.2014 No. 172-ФЗ 'On Strategic Planning in the Russian Federation', of 29.12.2006 No. 264-ФЗ 'On the Development of Agriculture', and of 03.08.1995 No. 123-ФЗ 'On Livestock Breeding', as well as Decrees of the President of the Russian Federation of 30.01.2010 No. 120 'On Approval of the Food Security Doctrine of the Russian Federation', of 08.08.2011 No. 1058 'On an Open Joint-Stock Company Combining the Racecourses of the Russian Federation', of 01.12.2016 No. 642 'On the Strategy for Scientific and Technological Development of the Russian Federation', and of 09.05.2017 No. 203 'On the Strategy for the Development of the Information Society in the Russian Federation for 2017-2030'.

The Strategy is intended to create the conditions necessary for modernizing domestic horse breeding, establishing a competitive environment, and resolving financial, economic and social problems; to contribute to achieving the objectives of the socio-economic development of the Russian Federation up to 2025; and to the use of information and communications technologies directed towards its development.

The strategic objective facing the horse breeding industry is to create economic, legal, organizational and technological conditions for the industry's sustainable development, to conserve and improve the gene pool of horse breeds raised in the country, and to increase their competitiveness in domestic and world markets.

The achievement of this objective is to be guaranteed by ensuring the development of the production infrastructure of stud farms and racecourses, establishing the financial self-sufficiency (stability) of horse breeding, and securing stable growth in agricultural production through the production of domestically bred breeding horses, while observing methods for controlling their quality.

The Strategy takes into account the positive and negative changes that have occurred in recent years in macroeconomic policy and in the socio-economic position of the agricultural sector of the economy, and the growing

impact on that sector of processes occurring in world agri-food markets.

Implementation of the Strategy depends on macroeconomic conditions, including movements in prices, loan interest rates and household income levels, as well as regional and local socio-economic conditions and specific features.

In recent years, the following documents relating to horse breeding development have been adopted:
- the State Programme for the Development of Agriculture and Regulation of Markets for Agricultural Products, Raw Materials and Food for 2013-2020, approved by Resolution of the Government of the Russian Federation of 14 July 2012 No. 717 (hereinafter, the State Programme for 2013-2020);
- the sectoral programme 'Development of Pedigree Horse Breeding in the Russian Federation for 2013-2015 and for the Planning Period up to 2020', approved by Order of the Ministry of Agriculture of Russia of 09.04.2013 No. 173;
- rules and standards in the field of livestock breeding establishing the methodology for testing and evaluating breeding horses of riding breeds at racecourses in the Russian Federation, approved by Order of the Ministry of Agriculture of Russia of 09.07.2015 No. 298;
- rules and standards in the field of livestock breeding establishing the methodology for testing and evaluating breeding horses of trotting breeds at racecourses in the Russian Federation, approved by Order of the Ministry of Agriculture of Russia of 07.08.2014 No. 308.

Nevertheless, despite the measures being taken, a number of important systemic problems persist that constrain the development of particular areas of horse breeding, especially pedigree breeding.

These concern, above all, the following main problems:
- lagging development of the facilities, equipment and technological provision of horse breeding in the Russian Federation;
- a shortage of highly qualified personnel and specialized educational institutions, and a weak methodological foundation in education;
- insufficiently developed racecourse infrastructure for systematic performance testing, taking into account the requirements for organizing horse-racing totalizator betting;
- the absence of a unified system for monitoring compliance with the Rules for Horse Performance Testing at Racecourses;
- the absence of a mechanism for distributing the turnover of the national horse-racing totalizator, both on and off racecourses, including towards horse breeding development;
- insufficient numbers of breeding horses for performance testing at racecourses;

- an information technology system in horse breeding at breed level that requires improvement;
- insufficient specialization in riding-horse and trotting-horse breeding in the production, rearing, training, performance testing and sale of breeding stock;
- the absence of horse-racing totalizator betting at most of the country's racecourses, and its ineffectiveness as the principal instrument for financing horse breeding.

The Strategy identifies the following key priority areas for the industry's development:

1. Creating the necessary economic and resource conditions for horse breeding development; ensuring that pedigree and commercial organizations operate without losses; building the facilities and equipment base of horse breeding organizations that enables them to carry out the entire production cycle; providing scientific support for the industry at world-standard level (genomic analysis and selection based on it, and the use of cryobiological methods in selection and in conserving genetic resources); developing the digital economy in horse breeding; ensuring quality control of agricultural products, services and genetic material; constructing infrastructure facilities and organizing centralized horse sales auctions; creating conditions for the operation of the national horse-racing totalizator; and providing a regulatory and legal framework for the activities of the self-regulatory horse breeding organization with national and regional public authorities.

2. Activating the work of associations and unions in horse breeding; developing and implementing regional horse breeding development programmes taking breed zoning into account; establishing breed selection centres (associations), primarily for breeds not tested at racecourses and for local breeds; and assisting the organization and operation of self-regulation in horse breeding. Improving the regulatory and legal framework.

3. Introducing new technologies for selection and breeding work with horses, including the reproduction of animal populations, rearing and training young stock, monitoring and quality assessment of breeding products by area of activity, and introducing innovative resource-saving technological systems for keeping and rearing stock.

4. Creating conditions for increasing the export potential of horse breeding within the Federal Project 'Export of Agro-Industrial Complex Products', as regards the sale of breeding products (material); broadcasts of horse performance-testing events at racecourses; horses prepared for performance testing, sport and hobby use; and the implementation of technology transfer.

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5. Creating conditions for international recognition of the performance testing of racing-breed horses conducted at Russian racecourses, in order to export non-exclusive rights to use event broadcasts in foreign totalizator systems and on foreign industry television channels.

The Ministry of Agriculture of the Russian Federation will monitor achievement of the Strategy's objectives and fulfilment of its tasks by establishing an information and analytical system (IAS).

During implementation of the Strategy, forecast indicators for horse breeding development will be refined, and adjustments will be made to individual indicators and economic mechanisms in light of the actual situation in domestic and external markets.

II. Analysis of the state of the horse breeding industry

The country's horse breeding industry traditionally has four principal areas of economic use of horses: pedigree breeding, working and utility use, production, and sport and leisure.

Working and utility use.

Analysis of working and utility horse breeding has shown that the state and prospects of this activity are decisively influenced by the condition of pasture-based livestock farming, primarily in the country's southern and eastern regions. In addition, animal traction is used mainly for subsidiary and auxiliary work for which mechanization is difficult and inefficient.

Taking into account the redistribution of stock among different types of farms and the tendency for horse numbers to decline in this area of horse breeding resource use, it is expected that, in the medium term, the total number of working horses, including young stock, in all categories of farms will be about 676.0 thousand head.

Production (meat-oriented herd horse breeding).

A specialized meat-producing subsector - herd horse breeding - has developed in 10 constituent entities of the Russian Federation where pasture-based livestock farming is traditionally well developed.

Over the ten-year period of separate statistical recording (2008-2017), the number of meat-producing herd horses increased from 252.6 to 424.3 thousand head (by 75.8%). Of the 424.3 thousand meat-producing herd horses, 280.2 thousand head (65.8%) belong to peasant (farm) enterprises and individual entrepreneurs. In addition, households in the eastern regions keep about 225.0 thousand horses for the production of horse meat. Accordingly, the total number of horses used for meat production is estimated at 649.3 thousand head.

Translator's note: the percentages 75.8% and 65.8% are retained exactly as printed in the source. The stated quantities yield approximately 68.0% growth ((424.3 - 252.6) / 252.6) and a 66.0% share (280.2 / 424.3), respectively. These are inconsistencies in the source; no numerical value in the translated main text has been corrected.

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Sport and leisure.

Sport and leisure horse breeding includes the use of horses in classical and national equestrian sports, equestrian tourism, riding and carriage hire, and other leisure and health-promoting activities. The approximate number of horses in this area is about 14.0 thousand head.

Private sport and leisure organizations operating as clubs, sections, schools, complexes, individual and medium-sized enterprises and farms provide more than 400 types of paid services to the public.

Calculations indicate that, as the population's economic situation improves, the number of horses for sport and leisure has potential to grow and may reach about 45.0 thousand head by 2025.

All the above areas of horse breeding are functional and depend directly on the most important segment - pedigree horse breeding.

Pedigree horse breeding.

There are currently 199 enterprises reproducing breeding horses in the Russian Federation. They comprise 68 stud farms, including 58 breeding horses of stud-developed breeds; 120 breeding multiplier farms, including 70 for stud-developed breeds; 9 gene-pool conservation farms breeding local breeds; and 2 stud stables, one of which breeds horses of a stud-developed breed (the Vladimir breed). The total number of horses of stud-developed breeds in these organizations is 8.5 thousand head, including 2.3 thousand head of racing breeds.

In addition, about 1500 owners breed pedigree horses of stud-developed breeds.

Racecourses have been established to organize recording and monitoring of horses' breeding value. There are 36 operational racecourses in the country, where about 6500 horses are tested each year (6896 head in 2017), more than 60% of them racing trotters.

Rosippodromy JSC, established by Decree of the President of the Russian Federation and a systemically important enterprise in the industry, plays a special role in the performance testing of racehorses.

Selection and breeding work with the animal population is carried out by the following organizations:
- the Federal State Budgetary Scientific Institution All-Russian Research Institute of Horse Breeding (VNII Konevodstva), a selection centre for 17 horse breeds;
- the State Budgetary Institution of the Republic of Sakha (Yakutia) Sakhaagroplem, which conducts selection for three local horse breeds (Yakut, Megezhek and Prilensk);
- the Arkhangelsk Research Institute of Agriculture, which is the selection centre for the Mezen horse breed;
- the Federal State Budgetary Educational Institution of Higher Education Russian State Agrarian University - Moscow Timiryazev Agricultural Academy, which provides selection services for the Russian Riding Horse and Karachay horse breeds.

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The Federal State Budgetary Scientific Institution All-Russian Research Institute of Horse Breeding is also the horse breeding information centre. It performs the functions of a laboratory for immunogenetic and molecular-genetic analysis using international standards, and conducts research across a broad range of horse breeding development issues in artificial insemination and embryo transfer.

The industry's principal systemic problem is low economic efficiency, associated with increasing costs of the resource base and individual technological elements in preparing and testing breeding horses, and with an insufficiently developed domestic market.

The privatization of stud farms that became non-core assets of large corporations, against the background of losses in pedigree horse breeding, contributed to a reduction in high-quality core breeding stock and, in some organizations, to its complete elimination. The existence of several valuable domestic stud-developed breeds - the Don, Tersk, Soviet Heavy Draft, Vladimir Heavy Draft and Russian Riding Horse, among others - has been placed under threat.

There is also a disparity in the requirements for recording and monitoring breeding value among different groups of breeds, which is not compensated even by differentiation in the coefficients applied. The low intensity of selection processes in horse breeds not tested at racecourses is also connected with this problem.

The low level of horse reproduction is directly dependent on the above problem. Organizations are seeing a decline in the yield of viable foals and in sales of young breeding stock. A number of owners of valuable breeding horses do not have the economic and resource provision needed to keep stock that meets the minimum requirements for registration in the State Breeding Register.

Horse-racing totalizator betting, which in most countries with developed horse breeding is the sole and sufficient source of financing for the equine industry, has not currently developed in this country.

To develop the national horse-racing totalizator as a source of finance for the horse breeding industry, a number of legislative initiatives must be implemented to remove restrictions on advertising and distribution of the horse-racing totalizator product and to organize totalizator betting at all racecourses, irrespective of their form of ownership.

Development of the production infrastructure of organizations and racecourses is also of fundamental importance for the efficient operation of the horse breeding industry.

Two organizations provide specialized higher education programmes in horse breeding, while five provide secondary vocational education and professional retraining.

Despite the existing offerings in the market for educational services in horse breeding, few commercial organizations provide them in an appropriate form and quality with the issue of supporting documents of the prescribed form.

For horse breeding development, fundamental importance attaches to development of the production infrastructure of organizations and racecourses; intensification of the work of the national horse-racing totalizator; intensification of selective improvement of horse breeds, primarily those tested at racecourses, including development and introduction of genomic selection methods; provision (updating) of regulatory documentation governing the assessment of breeding product quality; establishment of a personnel training system; and creation of a comprehensive horse breeding research plan.

Despite the measures being taken, a number of important systemic problems persist that constrain the development of particular areas of horse breeding, especially pedigree breeding.

The main factors constraining development are therefore:

In pedigree horse breeding

а) low economic efficiency;
б) a regulatory and legal framework that requires improvement;
в) considerable dispersal of stock, including stock owned by individuals, individual entrepreneurs and peasant (farm) enterprises, which makes it difficult to include valuable breeding material in state recording systems.

In production (meat-oriented herd horse breeding)

а) low marketable output in the subsector;
б) the absence of recording of actual animal productivity indicators.

In horse performance testing

а) the absence of a national horse-racing totalizator system drawing on advanced international experience;
б) a lack of substantial interest in horse performance testing at racecourses;
в) weak racecourse facilities and equipment;
г) an underdeveloped network of betting outlets and the absence of betting through information networks, including the Internet and mobile applications, as well as statutory restrictions on opening and operating totalizator betting outlets at state (regional) racecourses;
д) statutory restrictions on advertising horse-racing totalizator betting;
е) the absence of arrangements for filming and broadcasting equine events, organizing combined pools of national horse-racing totalizators and integrating them into international platforms.

In personnel training

a) a pronounced shortage across all categories of skilled trades and specialists in horse breeding.

III. Addressing the main systemic problems of the horse breeding industry

To develop organizations engaged in breeding pedigree horses, state support must be maintained in the form of subsidies reimbursing part of the costs associated with selection measures.

The amount of federal and regional budget funds allocated to support horse breeding must be calculated for broodmare stock, breeding stallions and young stock undergoing performance testing at racecourses alike.

In drawing up regional horse breeding development programmes, particular attention should be given to conserving the irreplaceable resources of unique domestic horse breeds; establishing the racing sector of pedigree horse breeding; monitoring the quality of planning and the progress of regional programme implementation in attracting investment to finance the industry's sustainable development; and increasing the effectiveness of breeding work that permits continuous improvement of racehorse stock capable of achieving high results in flat racing and trotting races.

Establishment of systems (and improvement of existing systems) for assessing the breeding value of horse breeds not tested at racecourses.

Rational use of the existing facilities and equipment of breeding organizations and racecourses, with investment attracted through public-private partnerships where necessary.

Investors at all levels must be extensively engaged in forming the prize fund for horse performance testing at racecourses.

To support horses of domestic selection, it is advisable to take measures to develop the domestic horse sales market and to provide for a larger allocation of winnings to these horses than to imported horses of racing breeds.

Innovative genomic selection methods must be developed and introduced for early prediction of the expression of traits under selection, and new resource-saving technologies must be created for rearing and preparing young stock and for feed production.

For the national horse-racing totalizator, and totalizator betting at all racecourses irrespective of their form of ownership, to operate effectively, federal and regional legislation on state regulation of their organization and operation must be improved as regards removing restrictions on places and methods of accepting bets and restrictions on advertising, and distributing deductions from their income for the support and development of horse breeding.

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The priority task in meat-oriented herd horse breeding is to raise productivity and marketable output as the principal economic components of the industry's expanded development.

Despite the pronounced technological extensiveness of the production horse breeding subsector, innovative methods of animal identification and product traceability, and genetically grounded programmes to increase productivity, must be used.

IV. A package of supporting measures to address the problems

The package of supporting measures includes the following principal areas:

Development of pedigree horse breeding:

а) state support through subsidies reimbursing part of the costs associated with selection measures, including ensuring reproduction of stock, rearing and testing young stock, and work with breeding stallions;

б) preservation and improvement of the system and provisions for maintaining the state studbook for stud-developed animal breeds;

в) improvement of the regulatory and legal framework for pedigree horse breeding by:
- amending the Rules in the Field of Livestock Breeding 'Types of Organizations Operating in the Field of Livestock Breeding' to introduce a differentiated approach to requirements for the number of breeding broodmares of stud-developed horse breeds;
- amending the Rules for the Performance Testing of Breeding Horses at Racecourses in the Russian Federation, taking international practice into account (organizing equine doping control, determining horses' ratings and ensuring participants' compliance with the requirements established by the Rules);
- developing Rules for Performance Testing and Assessment of Breeding Value for Horse Breeds Not Subject to Testing at Racecourses;
- developing the Procedure and Conditions for the Comprehensive Grading of Breeding Horses of Stud-Developed and Local Breeds;
- developing the Procedure for Genetic Examination of Breeding Horses;
- developing Rules for Record-Keeping and Reporting in Pedigree Horse Breeding, including approval of passport forms by horse breed.

г) arranging the participation of Russian horse breeding associations and unions in the work of relevant international organizations on an ongoing

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basis, in order to introduce into domestic horse breeding the standards and requirements of international rules for horse performance testing and registration;

д) establishing regional selection centres (associations) for local horse breeds with the participation of agricultural research institutions and higher education institutions;
е) increasing the coverage of artificial insemination of mares in general horse breeding;
ж) introducing principles of self-regulation in horse breeding at the level of constituent entities of the Russian Federation;
з) establishing self-regulatory organizations in horse breeding;
и) increasing the number of newly developed information technology projects in horse breeding;
к) developing software products for pedigree horse breeding.

Development of racecourse infrastructure and the national horse-racing totalizator:

а) improvement of the regulatory and legal framework governing the operation of horse-racing totalizator betting by amending Federal Laws of 29.12.2006 No. 244-ФЗ 'On State Regulation of Activities for the Organization and Conduct of Gambling and on Amendments to Certain Legislative Acts of the Russian Federation', of 28.03.2017 No. 44-ФЗ 'On Amendments to Certain Legislative Acts of the Russian Federation Regarding the Establishment of Mechanisms for Increasing the Income of Entities in Children's and Youth Sport and Professional Sport', and of 13.03.2016 No. 38-ФЗ 'On Advertising';

б) approval of Rules for Providing Federal Budget Subsidies to Racecourses to Reimburse Part of the Costs Associated with Organizing and Conducting Performance Testing of Breeding Horses;

в) establishment and launch of a permanent mechanism of state support for public-private partnership projects to modernize horse breeding facilities and racecourses;

г) organization of centralized horse sales auctions;

д) monitoring and assessing the condition of racecourse facilities and equipment for compliance with the requirements of the Rules for Horse Performance Testing.

To create conditions for development of the facilities and equipment of stud farms and racecourses, measures to attract investors must be developed by amending Federal Law of 21.07.2005 No. 115-ФЗ 'On Concession Agreements' and other legislative acts, in order to develop investment programmes for the facilities of horse breeding enterprises and racecourses. These should include the practical launch of long-term concessional lending through interest-rate subsidies, long-term concessional project financing, compensation for part of the direct costs of infrastructure development, preferential taxation of racecourses, and other measures.

Translator's note: the source prints 13.03.2016 as the date of Federal Law No. 38-ФЗ 'On Advertising'. The law is dated 13.03.2006; the year printed in the source is retained in the main translated text.

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д) provision of subsidies to compensate capital expenditure associated with modernization, reconstruction and construction of racecourse infrastructure;
- for payment of interest on loans taken out for modernization, reconstruction and construction of racecourse infrastructure facilities;
- state support for modernization, reconstruction and construction of equestrian sports complexes;

е) to ensure the sustainable development of horse breeding, recapitalization of Rosippodromy JSC as a systemically important enterprise, for:
- reconstruction of existing racecourse infrastructure;
- construction of new racecourses;
- establishment and development of the national horse-racing totalizator and its integration into the system of foreign totalizators.

ж) development of a system to reward Russian stud-farm operators for producing domestically bred horses when these compete alongside foreign-born horses in traditional prize events;
з) organization of a mechanism for establishing and paying prize money;
и) increasing the number of breeding horses undergoing performance testing at racecourses in the Russian Federation;
к) establishing self-regulatory organizations by type of horse use (trotting races and flat racing);
л) creating an effectively functioning information system for recording the results of performance testing of breeding horses at racecourses;
м) organizing anti-doping laboratories in the Russian Federation;
н) subsidizing the costs of doping control.

Production (meat-oriented herd horse breeding):

а) developing enterprises that produce and process horse breeding products, with funds attracted from regional budgets and investors;
б) developing and introducing a system for recording productivity;
в) creating conditions for organizing exports of meat-producing horses and products derived from them.

Scientific support:

а) drawing up a comprehensive horse breeding research plan and carrying out research on topical subjects:
- research to evaluate domestic and world genetic resources of horse breeds, and development of proposals for their rational use through genomic selection methodology and early prediction of the expression of traits under selection;

Translator's note: the source uses the subparagraph label 'д' twice in the racecourse infrastructure subsection, on pages 11 and 12. Both labels are retained without renumbering. Cyrillic subparagraph labels are retained throughout for exact source identification.

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- development of new resource-saving technologies and methods for reproduction, conservation of genetic resources, keeping and rearing horses, and organization of horse training centres;
- development of effective economic and technological models for different types of horse breeding enterprises, taking account of intra-industry specialization and logistical schemes;

б) improvement of the system of centralized recording in pedigree and production horse breeding, identification of stock and assessment of animals' breeding value, drawing on the functions and competencies of breed selection centres (associations) and public and professional unions;

в) establishment of a situation monitoring centre and a digital information and analytical system (IAS), 'Horse Breeding in Russia', based on databases for centralized recording and horse performance testing, for the collection, storage and analysis of information.

An effective system for advertising and popularizing trotting races and flat racing (information coverage of events):

а) generating substantial interest in the industry among spectators and participants in totalizator gambling; raising the prestige of the industry and making it accessible to a wider range of people;
б) separating totalizator operations from bookmakers' operations;
в) restricting the activities of gambling organizers in bookmakers' offices by allowing agreements on winnings to be concluded exclusively in relation to sporting competitions, and prohibiting bookmakers from organizing the acceptance of bets on horse performance testing at racecourses;
г) granting the totalizator the same preferences as lotteries and removing restrictions on the places and methods by which it accepts bets;
д) permitting by law unrestricted advertising of the national horse-racing totalizator;
е) permitting by law the acceptance of bets at all racecourses and in the national horse-racing totalizator without restrictions on places and methods of accepting bets, including through the Internet, mobile applications and self-service terminals, except:
- in buildings and structures housing children's, educational and medical organizations;
- in buildings and structures housing organizations of worship and religious organizations;
ж) creating a broad and accessible network of betting outlets for flat racing and trotting races that enables the industry to be financed and creates incentives for various interested parties - industry professionals, bettors, investors, sponsors and others - to participate in its development.

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з) removing prohibitions imposed by the legislative bodies of constituent entities of the Russian Federation on opening horse-racing totalizator betting outlets in the regions;
и) reducing the tax rate for one interactive horse-racing totalizator betting processing centre to the level of the tax rate for a totalizator processing centre;
к) defining the term 'national horse-racing totalizator' in legislation.

Personnel provision:

а) developing amendments to the classifier of workers' occupations, employees' positions and pay grades for horse breeding specialities;
б) creating a system for training and attesting personnel in the main specialities in all areas of horse breeding, based on integration of the scientific and educational potential of research institutions.

V. Regional development of the horse breeding industry

The industry will develop on the basis of existing or newly developed regional programmes drawn up taking account of priorities for conserving the domestic gene pool of stud-developed and local horse breeds, proposals from the professional community, the socio-economic, historical and cultural significance of the industry for the region, and possible risks.

VI. Timeframe and stages of Strategy implementation

Implementation of the Strategy is planned up to 2025. No stages of Strategy implementation are envisaged.

VII. Organizational and economic mechanism for implementing the Strategy

The organizational and economic mechanism for implementing the Strategy determines its implementers, the forms of their interaction with one another, and the package of regulatory, legal and economic measures directed towards fulfilling the tasks set.

Implementation of the Strategy is ensured by:

- federal executive authorities, executive authorities of constituent entities of the Russian Federation, and local self-government bodies;
- pedigree horse breeding organizations;
- public non-profit organizations (industry unions, associations and other groupings, and self-regulatory organizations);
- organizations, peasant (farm) enterprises and individual entrepreneurs operating in horse breeding;

- research and experimental design organizations, higher and secondary educational institutions, scientific and production associations, consultancy companies and others.

The economic mechanism for implementing the Strategy is based on price, financial and credit, tax, and customs tariff policies determined by the existing regulatory and legal framework.

The need to transition to an innovation-based type of development requires the creation, at all levels of management, of conditions for:

- the operation of organizations engaged in developing and introducing innovative horse breeding projects;
- the activities of various financial institutions and private individuals investing in innovative projects to modernize the existing production and technical base of horse breeding and stud-farm breeding.

VIII. Risks to Strategy implementation

A number of substantial factors may impede implementation of the Strategy; these must be anticipated and their possible negative consequences reduced as much as possible. These factors are mainly socio-economic: achievement of the stated Strategy implementation indicators is not guaranteed in the event of declining real household incomes, rising energy resource costs, ineffective development of rural areas, insufficient spectator appeal of horse performance testing, reduced monitoring of compliance with breeding record requirements, or a complicated system for accepting bets in the national horse-racing totalizator.

IX. Sources of finance

Resources for the Strategy will be provided from federal and regional budgets, private investors and funds borrowed from credit institutions. In certain cases specified by decision of the Government of the Russian Federation, taking horse breeding development priorities into account, funds from budgets within the budgetary system of the Russian Federation may also be attracted. However, investment projects and measures implemented under the Strategy do not give rise to additional expenditure obligations of the federal budget.

The content of measures, the amounts of their financing from federal budget appropriations, and the mechanisms for providing state support to equine industry organizations are determined within the relevant state programmes of the Russian Federation, within the budget appropriations provided to the interested federal executive

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authorities in the federal budget for the relevant financial year and planning period.

Earmarked deductions from the income of the national horse-racing totalizator, in an amount determined by decision of the Government of the Russian Federation, will be designated as one of the extra-budgetary sources of finance.

The full list of measures and their financial provision will be determined in the Programme for Horse Breeding Development in the Russian Federation for the Period up to 2025.

X. Monitoring and control of Strategy implementation

Comprehensive management of Strategy implementation is carried out by the Ministry of Agriculture of the Russian Federation, which:
- determines the most effective forms and procedures for organizing work to implement the Strategy;
- coordinates funding amounts for the next financial year and the entire period of Strategy implementation;
- coordinates the work of implementers of the Strategy's measures;
- monitors the progress of Strategy implementation, including efficient and earmarked use of the financial resources allocated, the quality of the Strategy's measures and compliance with implementation deadlines;
- collects information (reports) on the progress of the Strategy's measures, prepares information on their implementation and submits it to the Government of the Russian Federation in the prescribed manner.

It is advisable to assess the effectiveness of implementation of the Strategy's measures using target indicators that allow the development of the horse breeding industry to be tracked throughout the entire period of Strategy implementation.

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Appendix No. 1 to the Strategy for the Development of the Horse Breeding Industry of the Russian Federation for the Period up to 2025

TARGET INDICATORS for horse breeding industry development

No.	Indicator	Unit	2018	2019	2020	2021	2022	2023	2024	2025
1	Number of horses	thousand head	1 403.8	1424.8	1450.0	1471.8	1501.2	1531.2	1561.8	1 600.0
1.1	Of these, mares aged 3 years and older	thousand head	641.9	648.3	655.4	663.3	671.9	681.4	691.6	704.0

Pedigree horse breeding

No.	Indicator	Unit	2018	2019	2020	2021	2022	2023	2024	2025
2	Number of horses of stud-developed breeds	thousand head	25.3	25.8	27.0	29.2	31.3	33.9	37.1	40.0
2.1	Including endangered breeds	thousand head	1.9	2.3	2.8	3.4	4.0	4.8	5.5	6.0
2.2	Of these, mares aged 3 years and older	thousand head	0.8	0.9	1.1	1.4	1.7	1.9	2.2	2.5
3	Number of horses belonging to breeds tested at racecourses	thousand head	14.0	14.5	15.2	15.9	16.6	17.4	20.9	22.0
3.1	Of these, mares aged 3 years and older	thousand head	6.4	6.6	6.9	7.3	7.8	8.5	9.0	9.5
4	Number of horses tested at racecourses	thousand head	6.9	7.5	7.9	8.5	9.0	9.5	10.0	10.5
5	Number of particularly valuable breeding stallions	thousand head	0.3	0.5	0.6	1.2	1.5	1.7	1.9	2.0
6	Total number of race starts at racecourses	units	3 213	3 220	3 534	3 888	5 054	6 065	9 023	10 305
7	Total prize money awarded at racecourses	million roubles	210	210	231	254	342	449	972	1507
8	Total prize money awarded at racecourses per race start (one flat race / trotting heat)	thousand roubles	65	65	65	65	68	74	108	146

Production horse breeding

No.	Indicator	Unit	2018	2019	2020	2021	2022	2023	2024	2025
9	Number of horses	thousand head	444	461	470	479	490	510	500	500

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Russian original

No.	Indicator	Unit	2018	2019	2020	2021	2022	2023	2024	2025
10	Number of commercial farms established*	units	-	-	2	2	2	3	5	6

* Number of units established per year.

Unofficial translation for information only. Signatures and seals in the Russian original are not certified by this translation.
Russian original

WORKING GROUP MEMBERS' APPROVAL SHEET:

No.	Full name	Date and signature line in the original
1	Kharon Adievich Amerkhanov	Blank line
2	Galina Fatykhovna Safina	21.05.2019; handwritten signature
3	Dmitry Sergeyevich Zaitsev	21.05.2019; handwritten signature
4	Vasily Yegorovich Dudkin	Blank line
5	Boris Dmitriyevich Antoshchev	21.05.2019; handwritten signature
6	Alexander Mikhailovich Zaitsev	21.05.2019; handwritten signature
7	Vartan Azatovich Vartanov	Blank line
8	Vladimir Alexandrovich Demin	Blank line
9	Vasily Semyonovich Tolstopyatov	Blank line
10	Orudzh Ismailovich Suleymanov	Blank line
11	Valery Ivanovich Ovcharov	Blank line

Translator's note: the right-hand column describes only what is visible in the original. Signatures are not reproduced or certified. Blank lines do not imply approval.

Unofficial translation for information only. Signatures and seals in the Russian original are not certified by this translation.
Russian original

No.	Full name	Date and signature line in the original
12	Olga Petrovna Biryukova	Blank line
13	Oksana Vladislavovna Zhavoronkova	21.05.2019; handwritten signature
14	Nikolay Vladimirovich Samovolov	Blank line
15	Vladimir Viktorovich Kulakovsky	Blank line
16	Sergey Nikolayevich Oleynikov	Blank line

Translator's note: this continues the working group members' approval sheet on source page 18. Five of the sixteen signature lines are filled in the supplied original (Nos. 2, 3, 5, 6 and 13); the other eleven are blank. This translation does not assert approval by all members or formal adoption of the draft.