

# Annual Insight Report

*Horse Economic Forum*

Technical consultancy — Promoters of the study — Partner organisations —



## Technical sheet

### Title

Annual Insight Report: *Horse Economic Forum*

### Year

2023

### Team

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*Work developed with the consultancy and technical assistance of EY- Parthenon*

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## The equestrian sector as a driver for local development

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The capacity of a certain place, region or territory to be successful in terms of its local development process is increasingly dependent on the way it diagnoses, uses and strengthens its endogenous resources.

The horse and the economics related to it, are part of Alter do Chão's history, at least since 1748, when the Stud Farm was founded.

Almost three hundred years later, the horse economy is more vigorous and alive than ever, and it is unavoidable for Alter do Chão, as an inland territory, with all the good and bad aspects of this condition, to make every effort to once again position

The equestrian sector is an important generator of jobs and income, employing people in areas such as breeding, training, care and maintenance of horses, as well as, in related sectors such as feed manufacture, sale of equipment and health and welfare services for animals. The impact is also felt in the tourism and leisure sector, through equestrian sports, which events attract a large number of spectators and participants, generating income for local communities, with direct impacts also on the settlement of the population (active but not just active).

From the point of view of territory management, the horse economy has a very significant impact on local development and is something that, we believe, should be strongly supported and fostered, by the ability to generate jobs and income in the region where these same projects are implemented. Another level where the horse economy and local economic development intersect, is in the activity of selling and exporting horses or products related to the equestrian sector. If a region, place or territory boasts a reputation for producing high quality horses, as is the Lusitano horse, and more specifically the Alter Real lineage, this can mean the creation of opportunities for development and expansion of the local economy.

For all the above reasons, the horse economy is also a crucial factor in the local economic development of Alter do Chão, creating and maintaining jobs, boosting tourism and attracting income through the commercialization and exportation of products and/or services related to the equestrian sector, which is why the local county has invested in the Horse Economic Forum, which includes the design and presentation of this study.

The "Horse Economic Forum - Annual Insight Report" aims, therefore, to build a base of solid and regular information, on which the different stakeholders can be based on, constituting an engine of cooperation and competition between counties and agents dedicated to these economic activities, also claiming to be a tool of excellency in planning their activities and perspective of the future. It also represents the umbilical relationship that Alter do Chão has with its Stud Farm.



**Francisco Miranda**  
Mayor of Alter do Chão



## Tradition and heritage are signs of growth in the sector

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It was with great pride and sense of responsibility that EY-Parthenon accepted the invitation to develop the 2nd edition of the Annual Insight Report in Portugal. The objective of this Edition follows the guidelines of the first, held in 2019: to analyze and describe the economic and social situation associated with the equestrian sector, looking in particular at Alter do Chão and the tradition and culture that are so relevant at a national level.

Here, too, the pandemic had its effects, and only now are these two editions of the Annual Insight Report in Portugal being released.

The 2023 Annual Insight Report begins by presenting a statistical framework of the horse sector and equestrian sports at European, national and regional level. Data is presented from the equestrian sector in various aspects, from sports and tourism, to social and economical. The focus is on the county of Alter do Chão and on the oldest stud farm in the world operating uninterruptedly in the same place: the "Coudelaria de Alter Real."

Portugal is an important country in equestrian sports, with dozens of events organized on national soil and more than 35 places on the podium of international equestrian competitions.

Chapter 2 of this 2nd edition of the Annual Insight Report in Portugal should be read in conjunction with chapter 2 of edition nº 1. In the 1st edition the focus was on the socio-economic value of the horse in Portugal: its value to the economy is around 25 million euros, if we only look at the equestrian sport component. In this 2nd edition we focus on the so-called dynamic, non-tangible factors, which may enhance the creation of value in this sector, in a qualitative socio-economic dimension of the equestrian sector.

Of the 4 Portuguese native breeds of horses, the Lusitano Pure Blood stands out, a breed internationally renowned for its character, intelligence and gracefulness. It is impossible to dissociate the Portuguese equestrian sector from the dynamism conferred by the Lusitano horse.

By way of conclusion, the 3rd chapter offers a prospective analysis of the trends and challenges of the equestrian activity. The extensive analysis of information regarding the sector allowed focusing on four major trends of the future of the equestrian economy in Portugal.

The value of the equestrian sector as a historical, cultural and touristic asset is unequivocal. This value is even more relevant when we look at the role it plays in predominantly rural and low-density areas.



**Miguel Cardoso Pinto**  
Strategy leader at  
EY-Parthenon Portugal



# Executive Summary

## The equestrian sector in perspective



### The equestrian sector in Europe



**€100 billion** economic impact of the equestrian sector



**7 million** horses



**800,000** jobs created by the equestrian sector



### The equestrian sector in Portugal



**28.764** holdings associated with the horse sector



**99.948** equidae in Portugal



**4** Native Portuguese breeds: Lusitano Pure Blood; Garrano; Sorraia and Pony from Terceira

## Dynamic development factors

1

### Territorial marketing associated with tourism



Tourism



Publicizing/  
Marketing

2

### Research and development applied to the equestrian sector



Education



R&D

3

### Equestrian tradition and culture, leveraged by the "Lusitano Horse" brand



Brand



Tradition



Culture

## Trends and challenges in the horse sector



Technology at the service of the equine industry



Hippotherapy: the use of equines in human health



Sustainability at the heart of the horse sector



Equestrian training offer and territorial rejuvenation





# 1

The equestrian sector in perspective:  
Europe, Portugal and Alter do Chão

## The economic value and geography of the equestrian sector



Horses

**7 millions**

Number of horses in Europe, estimated by the *European Horse Network*



Occupied space (ha)

**6 millions**

Minimum number estimated by the European Horse Network for the number of hectares dedicated to the horse sector (e.g. pasture, food production)



Competitions

**88.000**

Number of sporting events accounted for by the International Equestrian Federation



Competition officials

**9.300**

Judges, test designers, technicians, veterinarians, etc. managed by the International Equestrian Federation



Work posts

**800.000**

Number estimated by the *European Horse Network* on the number of jobs created by the sector



Practitioners

**102.000**

Number of practitioners registered with the International Equestrian Federation

### Economic value of the Horse in the European Union

**€100 thousand million**

*According to the European Horse Network, the total impact of the equestrian sector in the European Union is estimated to be around €100 billion. This assessment translates the direct impact of the activities involved in the sector's value chain, such as creation, industrial companies and services such as education or tourism, and the indirect and induced impacts.*

## National framework

### *The production, education and sport perspectives*



Number of  
holdings

28.764

(2022)



Number of  
equidae

99.948

(2022)



Native  
breeds

4

Lusitano pure blood  
Garrano  
Sorraia  
Terceira Pony

Veterinarians

160

(2023)

Veterinarians  
associated with  
equine activities  
registered with the  
Order of  
Veterinarians

Sports  
Coaches

1.06

8

(2022)

Coaches registered  
with the Portuguese  
Equestrian Federation

University/  
Professional  
Courses

+33

(2019)

Professional and  
higher education  
courses related to the  
horse field

Total sporting competitions by discipline<sup>1</sup>

48

2

(2021)

166 Obstacles  
152 Dressage  
74 Raids  
69 Harness racing  
13 CCE  
8 TREC

National sporting competitions by discipline

36

9

(2021)

119 Obstacles  
118 Dressage  
42 Raids  
69 Harness racing  
13 CCE  
8 TREC

In prizes

3,5

millions  
(2019)

Equestrian  
centre

231

(2021)

Federated  
athletes

8.07

6

(2021)

<sup>1</sup> Sum of national competitions and international events in Portugal.

# Equestrian tourism in Portugal

## *Differentiating factors of equestrian tourism in Portugal*



### 5000 years of history of the Lusitano Horse

- ▶ The oldest saddle horse in the world is of Portuguese breed and has great prestige and international exposure.



### Nature and gastronomic tourism

- ▶ Vinitourism, gastronomy and nature tourism are known internationally and build an attractive tourist offer pact.



### Weather conditions and resources

- ▶ The temperate climate almost all year round, the quality of support services and infrastructure for teaching horse riding are unique conditions for the practice of sport.



### Location and diversity

- ▶ The variety and diversity of the landscape within easy reach of major cities is attractive to equestrian tourists. In addition, the country is close to the main source markets for this type of tourism.

*"The Horse Economic Forum will be extremely important not only for Equestrian Sport, but also for the country, as it will highlight the relevant social and economic impact of the Horse sector, and it`s strong synergies also with the areas of health and tourism."*

*Bruno Rente,  
President of the  
Portuguese Equestrian  
Federation*



## The profile of the equestrian tourist

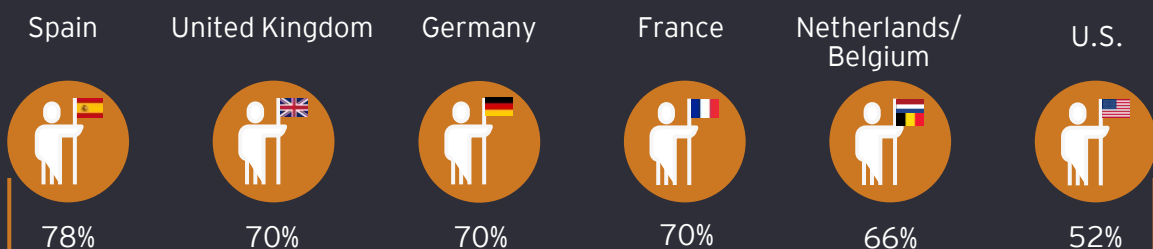
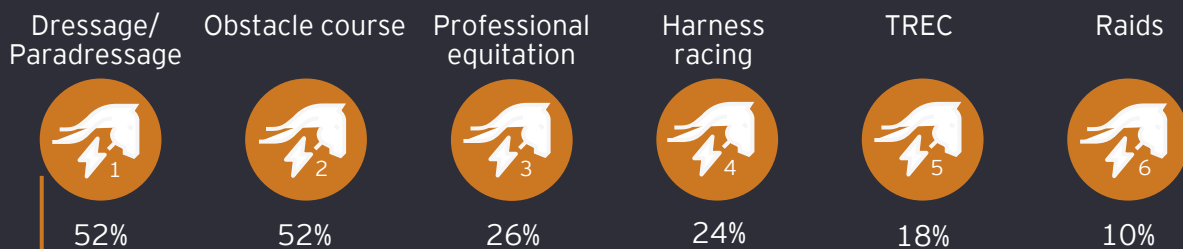
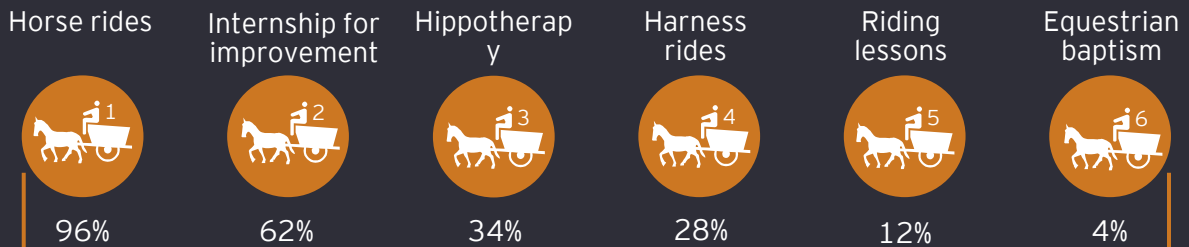


- ▶ Mainly female
- ▶ Between 25 and 50 years old
- ▶ Medium-high income level

**Motivations:** attraction for horses, interest in culture and pleasure in discovering different destinations on horseback.

# Equestrian tourism in Portugal

## Characterization of resources and services





# Portuguese Native Breeds

## *The Lusitano Pure Blood*

### Lusitano Pure Blood

The Lusitano Pure Blood is a direct descendant of the Iberian horse, one of the oldest horses in the world. It was a horse that survived several phases of racial fusions and the deep agrarian reform that in 1974, put at risk the survival of the breed. From here arose the imminent concern with the improvement and selection of the Lusitano breed. Some stud farms such as Alter, Casa Cadaval, Veiga, Coimbra and Núncio and Andrade guarantee it`s viability today. The lusitano pure blood is a horse that has been perfected for millenniums and which excels in competition, bullfighting and Equestrian Art.

**Coat:** Gray and Brown

**Height:** 1,58m

**Characteristics:** Medium length, rounded neck with slender horsehair

**Usage:**

- ▶ Bullfighting
- ▶ Dressage
- ▶ Harness racing
- ▶ Working Equitation
- ▶ Portuguese Horseback riding
- ▶ Horseball
- ▶ Vaulting
- ▶ CCE
- ▶ TREC
- ▶ Equestrian Art
- ▶ Field work
- ▶ 7th Art
- ▶ Leisure
- ▶ *Randonnés*
- ▶ Beauty

### Lusitano from Alter Real

- ▶ Originated from the genetic line of the Lusitano Pure blood breed.
- ▶ In the 18th century, in the village of Porcel, Alentejo, the Stud Farm was founded and later moved to Alter do Chão, where the breed grew.
- ▶ Due to the Napoleonic Invasion of 1821, when the Stud Farm was robbed, the herd dispersed. In the years that followed the *Alter-Reais* were crossed with various breeds, but it was possible to return to it`s initial form with the reintroduction of Andalusian blood.
- ▶ Today it is considered an exuberant horse, with special aptitude for High School work.



**Coat :** Brown, sometimes grey or chestnut  
**Characteristics:** High and exuberant gait  
**Aptitudes:** Saddle

### Lusitano horses in Portugal and in the World



**44.504** Horses in Portugal

**+ 32** countries

**69.086** Horses in the World

30 to 42% of Lusitano horse births nowadays are outside Portugal



# Native Portuguese Breeds

## *The Sorraia and the Garrano*

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### Sorraia

A breed recovered in the Sorraia river valley, it is a horse extremely resistant to harsh environmental conditions. The Sorraia is a primitive breed and is the origin of breeds such as the Lusitano Pure Blood.

Characterization	Breed standard	It's Use
<p><b>Nº of Horses</b> : 112</p> <p>♀ 75    ♂ 39</p> <p><b>Farms</b> : 20</p>	<p><b>Coat:</b> Brown</p> <p><b>Height:</b> 1,29m</p> <p><b>Characteristics:</b> Well-veined and muscular neck, short and thick</p>	<ul style="list-style-type: none"> <li>▶ Fieldwork</li> <li>▶ Contests/Leisure</li> <li>▶ Model and movements competition</li> <li>▶ Hippotherapy and lessons</li> <li>▶ Equestrian shows</li> <li>▶ Harness racing</li> <li>▶ Portuguese Traditional Horse riding</li> <li>▶ Dressage and obstacles</li> </ul>

### Garrano

The Garrano lives mainly in cold, humid and mountainous regions. It stands out in the history of Portugal, having been at the service of the exploratory incursions of the Discoveries.

Characterization	Breed standard	It's Use
<p><b>Nº of Horses</b> : 2.315</p> <p>♀ 1.983    ♂ 332</p> <p><b>Farms</b> : 617</p>	<p><b>Coat:</b> Brown</p> <p><b>Height:</b> 1,23m</p> <p><b>Characteristics:</b> Concave or straight head profile</p>	<ul style="list-style-type: none"> <li>▶ Transportation on it's back</li> <li>▶ Light harness racing</li> <li>▶ Light ploughing</li> <li>▶ Ecotourism</li> <li>▶ Social and cultural events</li> <li>▶ Environmental education</li> <li>▶ Conservation of the landscape and rural environment</li> </ul>

### Terceira Pony

Small in size and highly resistant, the Pony from Terceira is the fourth Portuguese native horse breed. it`s robustness and strength made it a means of transportation for people and goods.

Characterization	Breed standard	It's Use
<p><b>No. of Horses:</b> 89</p> <p>♀ 53    ♂ 36</p> <p><b>Explorations:</b> n.d.</p>	<p><b>Coat:</b> Diverse</p> <p><b>Height:</b> 1,29m</p> <p><b>Characteristics:</b> Proportioned, straight head profile</p>	<ul style="list-style-type: none"> <li>▶ Transportation on it's back</li> <li>▶ Light Plow</li> <li>▶ Hippotherapy and lessons</li> <li>▶ Leisure time</li> <li>▶ Socializing</li> <li>▶ Social and cultural events</li> <li>▶ Dressage and Obstacles</li> </ul>

## The horse sector

### *A local and national mapping*



#### Entities per territorial unit

Tourism of the Alentejo	Portugal Tourism	Coudelaria of Alter	Clinical Unit of Alter
Portuguese School of Equestrian Art	Portuguese Equestrian Federation	Coudelaria Torre Vaz Freire	Professional School Rural Development of Alter do Chão
Portuguese Association of Lusitano Horse Breeders Lusitano Pure Blood	National Association of Equestrian Tourism	Coudelaria Calhas of Almeida	University of Évora
Association of Breeders Association of the Garrano breed	Association International Sorraia Horse Breeders of Sorraia	Coudelaria Monte Barrão	Centre of Genetics

#### Association of Portuguese Horse Municipalities



Under the motto "protect, enhance and promote" and with the support of the Portuguese Equestrian Federation the Association of Portuguese Horse Municipalities is born in 2022. The Association aims to promote equine breeding and create better access conditions for the practice of equestrian sports. The following municipalities were part of the Memorandum of Understanding of the Association: Esposende, Ponte de Lima, Golegã, Alter do Chão, Barcelos, Fundão, Ponte da Barca, Viana do Alentejo, Viana do Castelo and Vila Pouca de Aguiar.

## Alter do Chão

### *A county full of history and tradition*

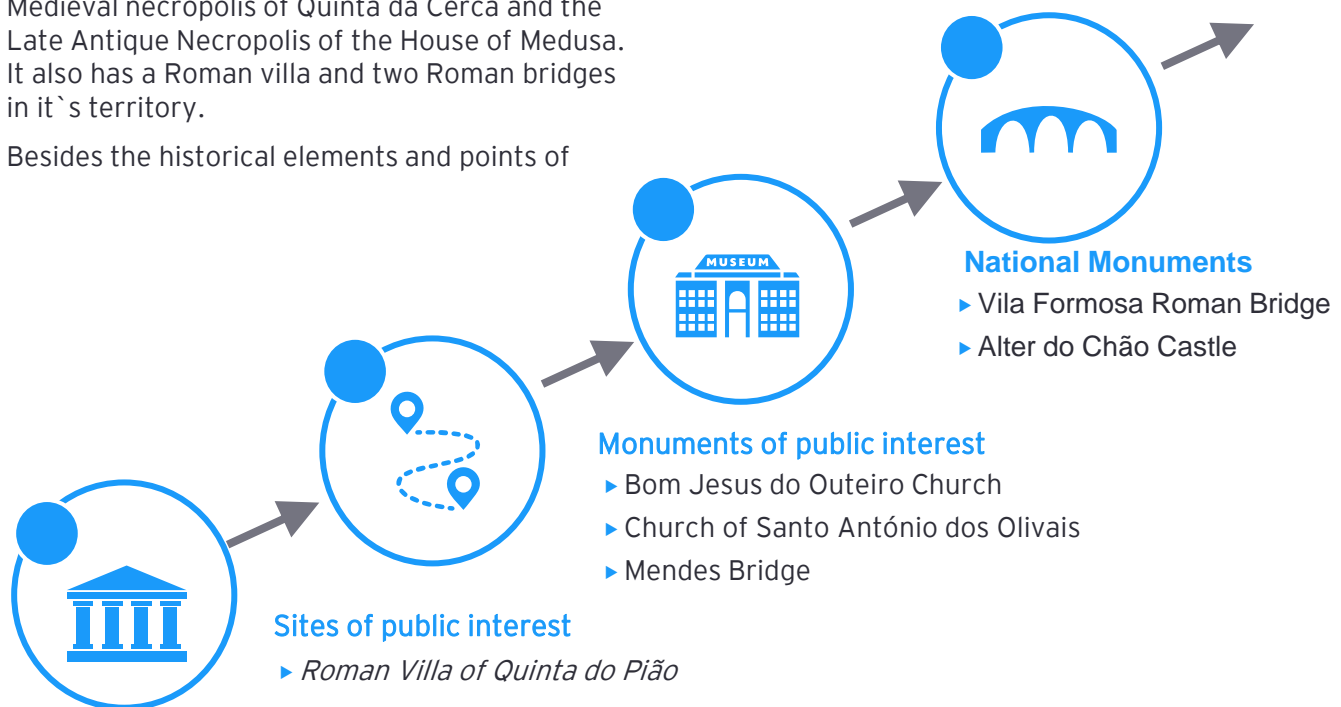
The county of Alter do Chão plays a prominent role in the historical and, in particular, archaeological heritage of the Alentejo region.

In its territory there are 12 areas considered to be classified heritage, including two national monuments - the Roman bridge of Vila Formosa and the Castle of Alter do Chão.

With a strong Roman influence, the county was the stage of three historic battles and maintains, to this day, a Roman influence perceptible in the kilometers of Roman road existing in it.

At an archaeological level, the county's outstanding archaeological heritage is the mosaic of Alexander the Great, the High-Medieval necropolis of Quinta da Cerca and the Late Antique Necropolis of the House of Medusa. It also has a Roman villa and two Roman bridges in its territory.

Besides the historical elements and points of



#### Properties of public interest

- ▶ Alter do Chão Archaeological Station
- ▶ Alter Pedroso Castle, walls
- ▶ Seda Castle (walls)
- ▶ Praça da República Renaissance fountain
- ▶ Alamo House Church of the Convent of Santo António

<sup>1</sup> This characterisation of the county's points of interest may take on simultaneous categories

<sup>2</sup> Religious heritage is understood as all churches, chapels and convents located in the county

## Alter do Chão

### *An emblematic county of the national Stud farming tradition*

Alter do Chão is located in the district of Portalegre and inserted in the sub-region of Alto Alentejo.

The rich natural and cultural heritage of this sub-region and the quality of the rural landscape endow it with a strong territorial identity. In Alter do Chão, these distinctive factors are inseparable from horse culture and the local stud farm tradition.

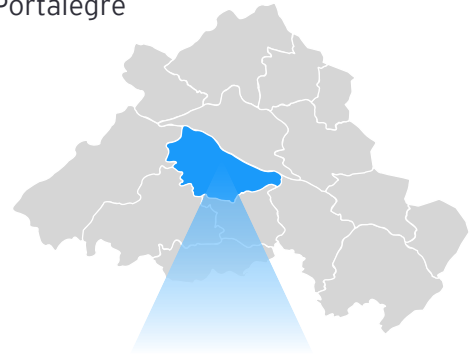
Although this attractiveness has its origin in the rural and traditional identity of the county, it is reinforced by its centrality and proximity to major urban centre and accessibility, as well as to Spain (Badajoz).


The county has a low population density and urbanization rates are not very expressive. Even so, it shows a positive trend in effective population growth rate, contrary to what is registered for the sub-region of Alto Alentejo as a whole. It also registers a higher rate of migratory growth than the national rate, indicating a strong capacity of territorial attraction.

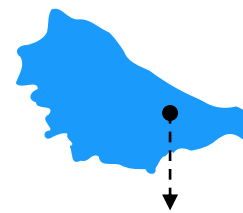
In terms of employment, despite the primacy of the tertiary sector, the primary sector is the one that stands out regarding to promoting jobs. In terms of wealth the county has a production profile specialized in the tertiary sector. The county has a high number of qualified human resources associated to the horse sector, making the Alter do Chão Professional School of Rural Development, a clear example of quality training.

In fact, contrary to what is observed in other territories, as a result of the tertiarization of economies, Alter do Chão is witnessing a reorientation of the productive structure for the development of primary activities. The increase of the gross value added (GVA) generated by primary sector companies (greater expression of agricultural and livestock farming activities), associated with the relative employment stability, marks the revitalization and (re)valorization of these activities.

 Alter do Chão in the district of Portalegre












 The Coudelaria of Alter Real in Alter do Chão



**Coudelaria of Alter Real**

 Distance from Alter do Chão to major national and regional airports and urban centres

	
 Lisbon Airport	2h
 Porto Airport	3h
 Faro Airport	3h20
 Beja Airport	2h15
 Ponte de Sor Aerodrome	2h15
 Lisbon	2h
 Porto	3h
 Faro	3h20

# Alter do Chão

## An emblematic county of the national Stud Farming tradition



### Demography



Resident population

**3.094**  
(2021)



Population density

**8,4**  
p/km<sup>2</sup>  
(2021)



Effective population growth rate

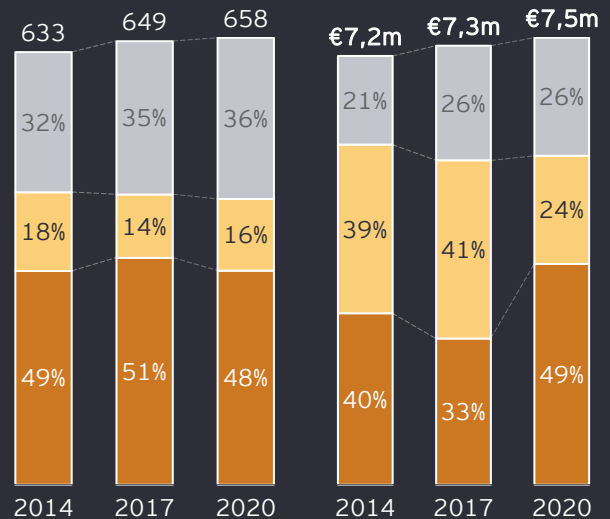
**1,2%**  
(2021)



Growth rate of the migratory population

**+3%**  
(2021)

### Economy



### Culture



Expenditure on cultural and creative activities in the county per inhabitant

**€ 155,4**  
(2021; National average: € 47,4)



Expenditure on cultural and creative activities in the county

**476.010**  
(2021)



Classified heritage

**12**  
(2023)

### Tourism



Hotel capacity

**+13,4%**  
(CAGR<sup>3</sup> 2014-21)



Seasonality

**29,4%**  
Sleeps July-September  
(2022)



Overnight stays

**+13,4%**  
(CAGR<sup>3</sup> 2014-21)



Average stay

**2 dias**  
(2021)

<sup>1</sup> Staff employed in establishments, INE terminology; <sup>2</sup> Data for certain sectors of activity are subject to statistical confidentiality, and calculations are adjusted according to the information available; <sup>3</sup> Compound annual growth rate (CAGR)

## Alter do Chão Stud Farm

### *The role of preservation and valorization of the Lusitano horse*

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*“To know the history of the Alter Stud Farm, is to know the history of the country”*

*Francisco Beja, Alter Stud Farm*

The Alter Stud Farm, located on the Herdade da Tapada do Arneiro in Alter do Chão, is the oldest and most remarkable Portuguese stud farm. In the world, it is the one that has been operating for the longest time, uninterrupted, at its place of origin.

In Alter do Chão, the Stud Farm represents a focus point of history and tradition, and, in Portugal, an undeniable milestone in the development of the Lusitano breed. It is also a primordial space for the training of professionals in the equestrian sector through the location in its structure of the EPDRAC, an internationally recognized school for its training quality.

Passed on from generation to generation, its mission maintains a role of enormous importance: to preserve and value the genetic and cultural heritage of the Alter Real Lusitano horse. To achieve this, it has all the necessary skills to monitor and develop the species, from genetic improvement and stud-farming to the physical preparation of competition horses.

Integrated today in the *Companhia das Lezírias*, it initiates the development and implementation of a unique equine policy in Portugal, contributing to the projection of the Portuguese equestrian tradition beyond borders.

Nowadays, the breed's main projection engine is competition. Among the four sets that achieved Portugal's collective clearance for the 2020 Olympics, are two horses from *Coudelaria Alter Real - Coroado* and *Beirão*, sons of Rubi, another Alter Real horse that was at the London Olympics in 2012.

Both in sport and in the animal's other vocations, the excellence of the Alter Real horse is cultivated by a network of important partnerships.

The Stud farm considers, for example, the feedback given by the Portuguese School of Equestrian Art, essential to the planning of Alter's genetic line. Protocols are also in place with veterinary colleges spread throughout the country, which not only leverage the provision of proximity medical care, but also enhance the training, research and innovation for which the Stud Farm aspires to be recognized for.



## Alter do Chão Stud Farm

### *Equestrian tourism combining tradition and modernity*

The Alter Real stud farm has, on the property of Tapada do Arneiro, a diverse range of tourist facilities linked to the equestrian world and the tradition associated with the Lusitano horse. With an excellent hotel complex serving as a base for the surrounding area (Vila Galé Collection

Alter Real), visitors can enjoy spaces with a historical nature such as the Casas Altas; experience equestrian culture in spaces such as the Pátio das Éguas and Pátio D. João VI and observe the art of falconry at the Falconry Museum.

#### Tourist facilities located in the Alter Real Stud Farm



High Houses



D. João VI Courtyard



House of Trains



Patio of Mares



Falconry Museum



Vila Galé Collection Alter Real

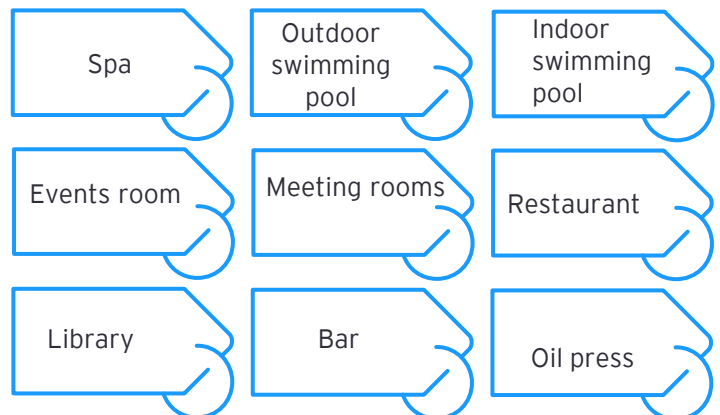
#### Vila Galé Collection Alter Real: The recognition of Alter do Chão's potential in the equestrian tourism sector



Vila Galé Collection Alter Real - Equestrian Resort, Conference & Spa is an award-winning 4-star hotel in the equestrian tourism sector, located in the Coudelaria de Alter Real.

As part of a more comprehensive strategy for the recovery of historical heritage, the Vila Galé group has invested around 10 million euros and created 40 jobs through the development of a hotel complex that has 77 rooms and a large number of complementary services, such as a spa, a library and an enoteca..

#### Serviços disponibilizados



# Alter do Chão Stud Farm

## *Diversity of activities on the farm*

### Stud Farm activities

#### Horse breeding



The stud's main mission is the breeding, promotion and genetic improvement of the Pure Blood Lusitano and Alter Real, with an average of 60 births per year.

#### Sale of horses and stud fees



Each year the Stud Farm sells an average of 15/20 horses and 6/8 stud horses abroad.

#### Mares



There are 4 mare herds in the Stud Farm: the Alter Real Lusitano Pure Blood, the CN Lusitano Pure Blood, the CN Arab Purebred and the CN Sorraia.

#### Agricultural production



Mostly direct grazing and traditional secular olive groves, from which the "Alter Real" olive oil is produced.

#### Clinical Unit



Protocol with the University of Évora, which provides the clinic and receives an average of 100 students per year.

#### Hunting



Organizing hunts for larger animals: wild boar, deer and fallow deer.

#### Falconry exhibitions



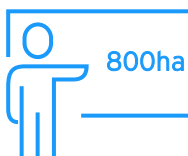
Disactivated activity a few years ago, but will be reactivated by the Vila Galé Group.

#### Tourism



It has a visitation program, with a historical part, carriage rides, horse rides, etc.

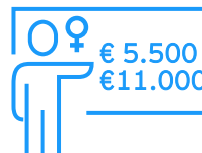
### Some numbers that characterize the Alter do Chão Stud Farm



Size of the Tapada do Arneiro homestead, where Alter do Chão Stud Farm is located



Post-auction base price of a Lusitano Pure Blood (male) from the Alter do Chão Stud Farm (2023)<sup>1</sup>



Base price after auction of a Lusitano Pure Blood (female) in Alter do Chão Stud Farm (2023)<sup>1</sup>

<sup>1</sup> Prices available at the time of the study

## Alter do Chão Stud Farm

### *A history and secular mission*

#### Alter Stud Farm's main historical landmarks

1748

The Stud Farm was created as part of the new stud policy of King João V. Installed in the Coutada do Arneiro, of the House of Bragança

1787

D. Maria I decided to create a new manege more appropriate with the Royal manege and inaugurated it in 1793

1911

With the proclamation of the Republic, the Stud Farm was transferred to the Ministry of War and became the Military Stud Farm

1942

The Military Stud Farm is abolished and, in its place, arises the Alter Stud Farm, under the responsibility of the General Director of Livestock Farming Services, with the aim of recovering the Alter Real

2007

The Alter Stud Farm is integrated in the Alter Real Foundation, keeping the mission of protection and valorization of the Lusitano Alter Real breed

2013

The management of the Alter Stud Farm is transferred to Companhia das Lezírias, following the delegation of public service competencies

2023

The Stud Farm's mission is to preserve and value the genetic and cultural heritage of the Alter Real horse. It also has protocols with various Universities to support the training and development of the equestrian sector in Portugal

500

Horses  
(2019)

15.000

Visitors  
(2019)

21

Jobs  
(2019)

30

Trainees  
(2019)

€180m

Revenues from  
horse sales  
(2019)





# 2

Dynamic development factors:  
qualitative socio-economic  
dimension of the equestrian  
sector

# The horse economy: drivers of growth and potential effects

## A sector with potential for progressive affirmation

The history of Alter do Chão is indelibly marked by the tradition associated with the equestrian sector. Founded in 1748 by D. João V, the Alter do Chão Stud Farm was born from the monarch's desire to prepare pure Lusitano horses for the Royal Stables.

The economic and social impact of the equestrian sector today includes a set of activities that go beyond horse breeding and its use for the Equestrian art schools and extends to tourism, research and technological development, leisure and medicine, among others.

The enhancement of the "horse economy" and

the maximization of the activities of its value chain gain special relevance in this county of reference in equestrian art.

For this to be possible, and based on an analysis of the competitive advantages that Alter do Chão presents in these domains, and the recognition of the existence of a solid starting critical mass, this chapter presents a set of critical development factors that should be capitalized for the full exploitation of this sector, grouped into three categories: i) Territorial marketing associated to equestrian tourism; ii) Research and development applied to the equestrian sector and iii) The equestrian tradition and culture, leveraged by the "Lusitano Horse" brand.

### *Equestrian tradition and culture, leveraged by the "Lusitano Horse" brand*

**Culture** associated with one of the most iconic equestrian breeds at a global level

**Tradition** associated with the history of the Lusitano horse

**Brand** and distinctive elements of the Lusitano horse

### *Territorial marketing associated to equestrian tourism*

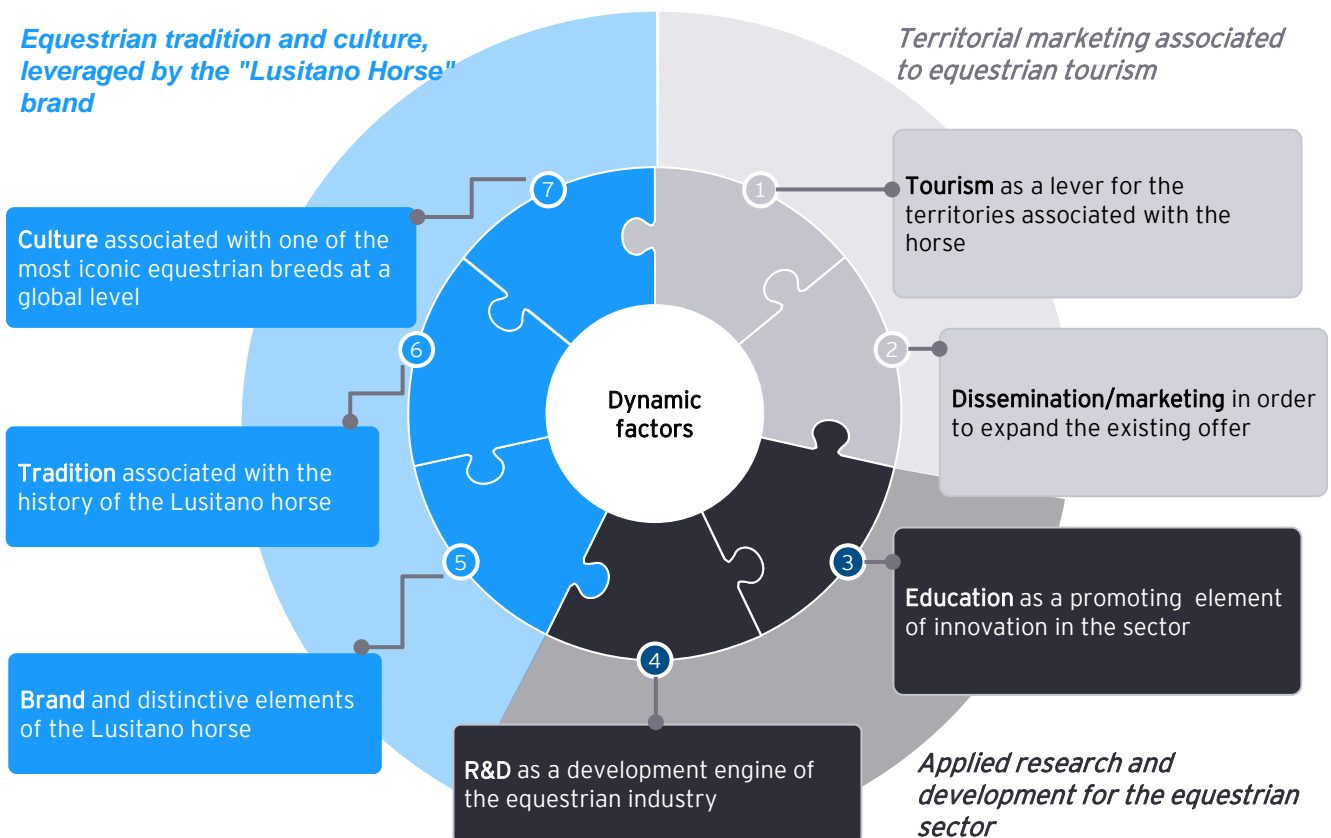
**Tourism** as a lever for the territories associated with the horse

**Dissemination/marketing** in order to expand the existing offer

**Education** as a promoting element of innovation in the sector

**R&D** as a development engine of the equestrian industry

*Applied research and development for the equestrian sector*



## Dynamic factors

### *Territorial marketing associated to equestrian tourism*

Equestrian tourism has been assuming a growing role in the national tourism offer. This growth has been leveraged, in part, by the territories with tradition associated with equestrian culture and horse breeding.

The role of these territories in the promotion of equestrian tourism focuses on the enhancement of factors to strengthen the existing tourism offer and to take advantage of growth opportunities associated with the sector.

Territorial marketing is a relevant tool for Alter do Chão to capitalize on its natural, endogenous and cultural assets.

An efficient promotion of Alter do Chão through territorial marketing, will identify and highlight points of interest and resources of the county, it will also create bases to support the development of a strong and distinctive brand associated to the region and will proceed to the creation of unique content adapted to the particular characteristics of the county.

The tourism promotion of Alter do Chão is associated with equestrian culture and the role of the horse in the local tradition. The focus on territorial marketing of the county will be based on the role of the equestrian tourism in the tourism structure of the territory.

A reinforcement of Alter do Chão's positioning as a destination of choice in terms of equestrian tourism will allow the development of a strong and sustained brand in the sector. The brand "Alter do Chão" is, nowadays, a relevant factor in the tourism differentiation of the region (Alto Alentejo) but also at a national level.

Alter do Chão has a very favorable position in relation to the potential factors of the equestrian tourism at a national level. Using the structures, culture and points of interest existing in the territory, the county has conditions to capitalize on the various factors of potentiation, assuming a primordial place in the destinations sought by the equestrian tourist.

**Potential factors** for equestrian tourism in Portugal:



**Native Portuguese breeds**



**Mild and temperate climate all year round**



**Equestrian events with an international dimension**



**Complementary tourist offer and diversified experiences**



**Favorable infrastructures for equestrian practice**

**Alter do Chão** and its positioning in relation to **equestrian tourism potential factors** :

- ▶ **The Lusitano pure blood** bred in the Alter Real Stud Farm is considered an unique lineage of this native Portuguese breed.
- ▶ **With a mild climate** throughout the year creates an inviting environment for equestrian tourism.
- ▶ It hosts renowned events connected to the equestrian world, such as the *Horse Economic Forum*.
- ▶ **Distinctive gastronomy** through traditional Alentejo flavours and the use of saffron.
- ▶ The **Tapada do Arneiro**, where the Alter Real Stud Farm property is located, is an example of the quality structures that exist in the county.

## Dynamic factors

### *Research and motor development in the equestrian sector*

As far as the equine sector is concerned, research and development have introduced major changes. Currently, many of the new solutions in the equine industry arise from the collaboration between academic researches and technology companies, which together are able to respond to the market's needs through further research and development of trends, related to the sector.

Some of the key research and development trends associated with the equine sector include, for example:

- ▶ **Technology and innovation**- used to improve the performance of the horses in competitions and monitoring and training them.
- ▶ **Well-being**- used for the enhancement of horse health, nutrition and supplementation practices that can increase the quality of life of the animal and prevent the risk of injury.
- ▶ **Sustainability** - used to invest in practices that reduce the environmental impact of the equestrian activities, such as, waste management and reducing water and energy consumption.

The Alter do Chão county, and the Alter Stud Farm in particular, may be responsible for the development and innovation of the equestrian sector at a national level, combining tradition with innovation to position the Real Alter Lusitano Horse brand as a pioneer, in the development of the sector.

To leverage the opportunities of the dynamic factor listed here, partnerships may be explored with academies, including partnerships with relevant educational institutions at a national level. Another area to be explored is the focus on existing Incentive Systems, which can foster research and development in Alter do Chão's equestrian sector.

Examples of **technology and innovation** applied to the equine industry:



#### Sensors

Development of intelligent saddles



#### Increased reality

Identification of lesions not observable by the human eye



#### 3D printing

Printing prosthetics for equines



#### Artificial Intelligence

New training methods in equestrian sport

The Benefit`s of **welfare** research applied to the equine industry:



#### Engines

Improvement of coordination and postural control and prevention of the risk of injuries



#### Sensitive

Improved sense of body schema and performance in competitions



#### Psychological-cognitive

Improved concentration that boosts the horses' performance



#### Socialisation

Development of self-control and sociable personality

## Dynamic factors

### *The equestrian tradition and culture and the "Lusitano Horse" brand*

The "Lusitano Horse" brand is a distinctive brand on an international scale for the equestrian tourism, representing Portugal as a destination and cultural space associated with the horse.

The Lusitano Pure Blood ("Cavalo Lusitano") has always been a horse associated with royal environments, considered a breed of excellence for equestrian competition, bullfighting and equestrian art.

Alter do Chão is in a particularly advantageous position with regard to this distinctive brand of equestrian tourism, as the Alter Real Stud Farm is located in its territory.

The Alter Real Stud Farm is a place of excellence for equestrian practice and equine breeding on a national and international scale.

The "Alter Real" bloodline is a highly regarded bloodline at international level. *Alter Real Lusitanos* were used by the Portuguese riders Gonçalo Carvalho and Duarte Nogueira in the 2012 and 2020 Olympics, respectively.

The international exposure of the "Lusitano Horse" brand and the *Alter Real Lusitano* is both a distinctive factor and an opportunity for Alter do Chão to stand out within the existing offer associated with the "Lusitano Horse".

Some of the strategies that promote the distinctive element of the "Lusitano Horse" in the equestrian tourism ecosystem are:

The focus on tourism products associated with the "Lusitano Horse";

The continuous investment in the modernization of the infrastructures associated with the breed's breeding areas;

And the investment in cooperating with stud farms outside the Alter do Chão region emphasizing on breeding the Lusitano breed.

The personality traits of the "Lusitano horse" brand

Intelligence



Strong character



Grace



Brave



Adaptability



Obedience







# 3

A prospective view of the horse sector: trends and challenges

# Technology at the service of the equine industry

## *New solutions for challenges of the past*

A phenomenon also felt in the equine industry is the arrival of new technological solutions and their consequent application in the industry.

Tackling traditional challenges such as injuries and irregular growth patterns with disruptive solutions, is a concern for the industry, which finds existing materials and technology limitations in solving these problems.

Many of the solutions emerging in the equine industry, are the result of collaborations between academic and technology companies capable of responding to the market's needs. The use of technology such as sensors or 3D printing in the equine industry is, in many cases, an adaptation of existing technology used in similar application areas, such as, the veterinary or agricultural industries, for example.

### Areas of disruption in the equine industry

Areas of disruption	Possible technological applications
Health and well-being	<ul style="list-style-type: none"> <li>▶ Printing prosthetics for the equines</li> <li>▶ Development of intelligent saddles</li> <li>▶ Support in equine medicine operations</li> </ul>
Sports and competition	<ul style="list-style-type: none"> <li>▶ New training methods in the equestrian sport</li> <li>▶ Gathering accurate information on equestrian performance</li> <li>▶ Identification of lesions not observable to the human eye</li> </ul>
Monitoring and management	<ul style="list-style-type: none"> <li>▶ Monitoring the equine movements</li> <li>▶ Biometric data monitoring</li> <li>▶ Development of secure databases for use in the sector</li> </ul>

### Challenges to technology introduction in the equestrian sector



#### High technology costs

The costs of new technologies can mean high investment efforts for the equine sector agents and inequality in their mobilization

#### Reduced adaptability of existing solutions

The different equine breeds and their distinctive characteristics may disable certain technologies due to the profiles of the horses in question

#### Remote location of the equestrian facilities

Equestrian facilities are often located in rural areas and without internet access, presenting challenges for technological adaptation in these locations

#### Cybersecurity risks

The use of new technologies, implies gathering a significant amount of sensitive data, and there are cybersecurity risks associated with this.

# Hippotherapy: the use of equines in human health

## *Health, with it's prominent place in the equine sector*

According to data from the most recent study by *Turismo de Portugal (2023)*, on equestrian tourism, 1 in 3 national equestrian tourism agents offer hippotherapy services.

Equine therapy is a therapeutic method that uses horses as treatment for human diseases and health conditions. Within this area of expertise, is hippotherapy, which uses horses and a multidisciplinary team of physiotherapists for treatments such as physical rehabilitation.

The movement of the horse's gait and contact with the animal and nature have scientifically proven benefits for rehabilitation, particularly for patients with various disabilities and physical limitations.

Although the use of horses for medicinal purposes is not new, hippotherapy has registered significant developments in recent decades and is increasingly an integral part of the range of activities available to equestrian tourists in Portugal.

### Some benefits of hippotherapy



#### Neuromotor benefits

- ♥ Coordination and dissociation of movements
- ♥ Postural control
- ♥ Respiratory and circulatory capacity



#### Sensitive benefits

- ♥ Sensor-tactile perception capability
- ♥ Social integration
- ♥ Concept of the body structure



#### Psychological and cognitive benefits

- ♥ Articulation of words
- ♥ Concentration
- ♥ Sentence construction



#### Benefits in socialization

- ♥ Emotional self-control
- ♥ Respect for nature
- ♥ Interest in sports

### Challenges to the introduction and expansion of hippotherapy



#### Reduced training offer

The lack of training in hippotherapeutic practices, limits the access of health professionals to this medical technique

#### Little breadth of the existing offer

Although the number of equine agents offering hippotherapy services is increasing, access to hippotherapy is not spread throughout the country

#### High treatment costs

Hippotherapy sessions are often more expensive than other treatments and may influence the users preference

#### High investment for equine agents

The need to have multidisciplinary teams preparing the hippotherapy sessions increases the investment needed to introduce the practice in the services offered by equestrian agents

# Sustainability at the heart of the horse sector

## *Social and environmental sustainability in equestrian activities*

With around 6 million hectares dedicated to the equine industry in Europe, the horse sector consumes a large number of resources, such as water and energy. Equine production and activities also produce a high number of waste products and are responsible for significant numbers of greenhouse gas emissions.

Biodiversity is also a concern of the sector, since pastures dedicated to horses suffer impacts at the level of biodiversity existing in the soil.

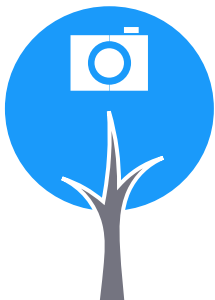
Through technological solutions and more

sustainable choices, the equestrian industry has been on a journey to promote more sustainable equestrian facilities and the use of technologies that reduce its environmental footprint.

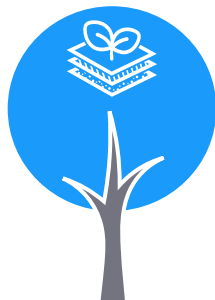
At a social level, the inclusion and respect for working horses have been key areas of intervention. The development of solutions for the practice of adapted riding and the improvement of physical recovery mechanisms for working horses are some of the investments to be highlighted in the sector.

### Necessary actions for sustainability in the equestrian sector

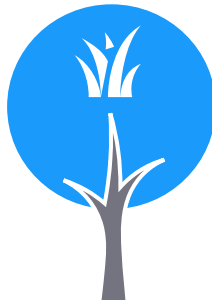
#### Sustainable tourism offer



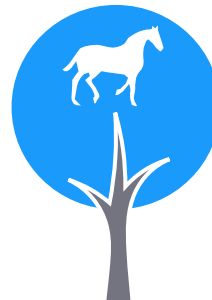
#### Responsible land use



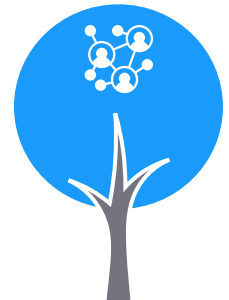
#### Protecting biodiversity



#### Improving conditions for working horses



#### Inclusion and diversity



### Challenges in introducing sustainable solutions in the equestrian sector



#### Resistance to change

The equestrian sector is a sector with strong traditional foundations, and this may compromise the pace of adaptation to sustainable practices

#### Lack of alternatives

There are currently certain services and products in the equestrian sector that do not have a more sustainable alternative available, creating barriers to the sector's adaptation

#### Lack of skills

The equine agents lack of skills to handle more sustainable technologies may impose limitations to sustainability in the sector

#### High investment for infrastructure reconversion

The investment required for the reconversion of equestrian infrastructures may not be affordable within the financial capacity of certain agents of the equestrian sector

# The equestrian training offer and territorial rejuvenation

## *The horse sector as a streamliner of the territories*

The Portuguese counties with strong links to the equestrian culture are counties with a relatively aged population profile. From the 10 counties that signed in 2022 the Memorandum of Understanding for the creation of the Association of Portuguese Horse Counties, only Barcelos and Esposende have a % of population over 61 years old lower than the national average.

The need to rejuvenate the population of these territories, traditionally associated with the horse sector leads to the search for solutions that,

through the expansion of their endogenous resources, can attract qualified young people to settle in these territories.

The development of educational structures has the capacity to attract young people and create mechanisms to retain them.

The promotion of a training offer of excellence linked to the horse sector in territories widely recognized for their equestrian industry is a primary mechanism to combat population ageing.

### The impact of equestrian education in the territorial revitalization: the case of EPDRAC

The Professional School of Rural Development of Alter do Chão (EPDRAC) is an important educational institution in the county of Alentejo.

Founded in 1990, EPDRAC has been a development mechanism for Alter do Chão, with more than 1400 trained students.

With a training offer adequate to the regions characteristics and a strong practical component, the school teaches courses related to the equestrian, agricultural, hunting and tourism areas.

#### EPDRAC and the impact on Alter do Chão



New economic opportunities



Increased employability



Social dynamism and population attraction

### Challenges in the equestrian training offer in territorial rejuvenation



#### Low retention rate

The population attraction induced by educational institutions does not always result in the retention of these same young people after their training period

#### Strong competition

The existence of training supply in urban poles with a higher number of professional opportunities threatens the sustainability of training supply in rural areas

#### Low investment in innovation

The equestrian training offer in the counties linked to the horse sector needs to constantly seek to be at the forefront of existing teaching techniques in the sector

#### Lack of resources

The lack of financial and human resources is a reality in the training offer further away from urban centres, which may threaten the sustainability of the training offer in these territories

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