

SOCIAL LICENSE TO OPERATE FEI COMMISSION

TERMS OF REFERENCE

Approved 20 June 2022

1. WHAT DOES SOCIAL LICENSE TO OPERATE MEAN?

Social License to Operate (hereinafter "SLO") generally refers to the ongoing acceptance and approval of an organisation's practices by its employees, stakeholders and the general public.

Overall SLO is a multifaceted and dynamic concept which involves a number of different actors and stakeholders.

Three key components are generally identified within the SLO¹:

- **Legitimacy:** this is the extent to which an organisation plays by the "rules of the game". That is, the norms of the society, be they legal, social, cultural, formal or informal in nature.
- **Credibility:** this is the organisation's capacity to provide true and clear information to the society and fulfil any commitments made.
- **Trust:** this is the belief in the reliability, truth, or ability of the organization.

In practice, the absence of legitimacy leads to rejection of a task/project, the presence of legitimacy and credibility leads to acceptance of the task/project while a high level of credibility and the presence of trust is the basis for approval.

In the **equestrian industry**, SLO is a term related to the legitimacy and acceptance of humans partnering with horses and the activities within that collaboration.

For the FEI, SLO covers all activities within the sporting setting as well as pre- and post-competition related pursuits and actions.

As underlined by the European Equestrian Federation's President, Theo Ploegmakers, "The Social License concept in our case can be described as an unwritten ethical and binding understanding between the equestrian community and the "Society", whereby the "Society" accepts and appreciates equestrian sports and the way it is practiced by the equestrian community and the equestrian community respects and incorporates the relevant sensitivities of the "Society"².

¹ See, among others, <http://sociallicense.com/definition.html>

² Article "The Social License" published on 4 March 2022 on eurodressage.com: <https://www.eurodressage.com/2022/03/04/theo-ploegmakers-social-licence>

2. SLO IN EQUESTRIAN SPORTS AND FEI ACTIVITIES

2.1. Introduction³

In recent years, the discussion around the need for equestrian sports to have a SLO has become increasingly relevant and is expected to be a core theme in the years to come.

As mentioned by the Chief Executive of World Horse Welfare⁴, Roly Owers, during his presentation to the FEI General Assembly on 21 November 2017 in Montevideo (URU), certainly, the picture varies according to culture but in many countries there is a growing view that equestrian sport (or any use of horse), especially for a profit or entertainment, is cruel and unacceptable. This growing movement to recognise the rights of animals is often conflated with animal welfare. This is where the concept of SLO seems relevant in equestrian sport. It is not only taking the right ethical choices for the horses but it is also about considering the changing attitudes of society, which are certainly shifting and increasing, most certainly fuelled by the commercialisation and professionalisation of the sport and the evolution of technology and social media.

2.2. Commercialisation and Professionalisation of Sports and of Equestrian Sports

Sport in general is changing at a very fast pace. It is no longer solely seen as a simple leisure activity, contributing to the personal well-being of individuals, but a multi-billion euro economic sector of significant importance; generating jobs and providing ever more products and services.

This also applies to the equestrian industry and to equestrian sports, where humans partner with horses as part of the business model.

According to research commissioned by the FEI in 2017, the equine industry has an economic impact of €300 billion worldwide, providing for a total of 2 million related jobs⁵.

In Europe the annual economic value of the equine industry is worth over €100 billion per annum; including €52.1 billion per annum for the combined sport horse / equestrian, horse racing and breeding industries. Direct full-time equivalent jobs total 210,000 and in excess of 500,000 direct and indirect jobs are reliant upon the racing and sport horse/equestrian industries⁶.

³ The proposed SLO FEI Commission (see Section 3 below) is meant to initially focus its work on FEI activities to then expand it to other areas of the equine sport/industry, if necessary.

⁴ <https://www.worldhorsewelfare.org/>

⁵ As per a research commissioned by the FEI to IRIS (<https://www.iris.sport/>) in 2016.

⁶ See Appendix 1 of the Report "Protecting the EU equine industry and equine health and welfare" by the IHSC European Taskforce for Brexit and EU Animal Health Law, 2021. Available here: <https://inside.fei.org/system/files/PROTECTING%20THE%20EU%20EQUINE%20INDUSTRY.pdf>

2.3. Evolution of Technology and Social Media

New technologies are transforming the fan experience and how people interact with sports. The fast development of social media is giving everybody a voice. A two-way relationship has emerged through the evolution of technology and social media, allowing the general public to capture every moment on film, share immediate feedback and also to demand more from the sport's governing bodies. Sport is thus more than ever under public scrutiny. Much of the population is active in social media and a new key stakeholder is emerging who at times may be politically active, reacting and voicing their opinions in different streams of communications.

Equestrian sports, and therefore the FEI's activities, are more than ever exposed to new audiences who may not necessarily be familiar with equine cultural traditions, sport and practices. There is also an audience of experienced horse people who question and are increasingly critical of elements of traditional horsemanship and practices in equestrian sport.

It is no longer only horse people, or horse people with traditional perspectives, who decide what is right or what is wrong, what is acceptable and what is unacceptable for horses. Despite the FEI's continuous review of its horse welfare related aspects, in view of new and increasing platforms available, the FEI must address any concern/criticism from society or within equestrianism in a clear and transparent manner.

Because of the evolution of technology and social media, communication around FEI activities and education of stakeholders are considered key and essential tasks for the FEI to ensure and enhance a SLO.

2.4. SLO related to FEI Activities

Two main topics can be identified as part of the SLO related to FEI activities:

- **Welfare of the Horse;** and
- **Environmental Sustainability.**

2.4.1. Welfare of the Horse

General awareness of horse welfare (both physical and mental) is heightened in wider society and the public increasingly questions the ethics of equestrian sports.

The general public may question the role of the horse on a "field of play" designed by humans, particularly if welfare is perceived to be at risk. In addition, an audience of experienced equestrians, informed by emerging knowledge around equine health and welfare, believe that equine welfare could be improved in competitive sport.

In extreme cases, public trust becomes eroded to such a level that the sport is at risk of third parties or the public determining its ongoing viability.

In recent months, we have witnessed a number of high profile examples of horse welfare issues which have provoked public outcry and resulted in a loss of trust in the integrity of equestrian sports and the greater community.

The FEI and the community are bound by the FEI Code of Conduct for the Welfare of the Horse, which states that: *"All those involved in international equestrian sport must adhere to the FEI Code of Conduct and acknowledge and accept that at all times the welfare of*

the horse must be paramount and never be subordinated to competitive or commercial influences.”⁷

Established in 1992 and developed in collaboration with World Horse Welfare, the FEI Code of Conduct for the Welfare of the Horse is open to review to ensure it fully complies and embodies equestrian’s SLO, and the same applies to all FEI Rules and Regulations.

2.4.2. Environmental Sustainability

- Relevance of Environmental Sustainability in today’s society

Increase in the average surface temperature of our planet, all attributed to human activity has never been faster than in the last 35 years, with the five warmest years occurring since 2015. This has caused, and will continue to cause, a range of environmental issues and natural challenges that have started to affect all lives in varying ways. Mindfulness around environmental sustainability has never been as important as it is today, requiring individual as well as executive priority.

- Relevance of Environmental Sustainability in the Equestrian Industry

Taken together, all industrial activity is responsible for 30% of global greenhouse gas emissions. The concept of “Circularity” and that of “Responsible production and consumption” apply in equal measure to the entire value chain of the Equestrian industry as to any other industry fueled by carbon-emitting sources for its electricity and transport requirements. Additionally, temperature and humidity changes caused by climate change can lead to the spread of diseases into previously unaffected regions, and these could be a major threat to long-term horse health.

- Relevance of Environmental Sustainability in FEI Activities

The wide outreach and influence of sports provides a unique platform to act as a catalyst for change within society. By replicating and embodying FEI Statutes Article 1.4 “*To preserve and protect the welfare of the Horse and the natural environment by establishing appropriate codes of conduct*”, the FEI can make a vital contribution in furthering Environmental Sustainability within the scope of its structure.

While the relevance of this topic is acknowledged, due to the work that is already being done by the FEI and the European Equestrian Federation on “Environmental Sustainability”, it is suggested not to tackle this topic at this point in time but rather focus on the welfare of the horse.

3. SLO FEI COMMISSION

3.1. Objectives

3.1.1. Creation of a SLO Framework

To proactively analyse the different aspects of the SLO linked to FEI activities with the ultimate goal of recommending a practical course of action and a detailed timeline aimed at establishing a framework (which could be a Charter, a Code or other name to be defined by the SLO FEI Commission) where rights and obligations of FEI sport actors are to be defined, to ensure and enhance a SLO.

⁷ See the introduction to the FEI Code of Conduct for the Welfare of the Horse included in all FEI Discipline Rules here: <https://inside.fei.org/content/general-regs-statutes>

The purpose of the SLO framework is for the FEI's activities to be universally recognised, endorsed, supported and accepted by all stakeholders in society.

SLO is a dynamic and changing concept so the FEI will need to establish a mechanism to regularly update the SLO framework and supervise the compliance of FEI Rules and Regulations with the SLO framework.

3.1.2. Recommendations

The second objective of the SLO FEI Commission is to make recommendations to the FEI on a number of areas that would require FEI's attention and potential further work.

3.2. Foundation and Composition

The SLO FEI Commission is to be formally approved by the FEI Board.

The FEI Board shall appoint the Chair and the Members as well as approve the Terms of Reference.

The SLO FEI Commission shall receive support from the FEI Headquarters in connection with its objectives.

The SLO FEI Commission may invite other persons in a consultative capacity.

The SLO FEI Commission will report to the FEI Board.

Finally the SLO framework and recommendations are to be approved by the FEI Board and ultimately by the FEI General Assembly

In order for the SLO FEI Commission to carry out its tasks different working groups are suggested to be created, with each group responsible for a different area (to be confirmed by the SLO FEI Commission), namely:

- Ethics & Welfare;
- Regulatory;
- Scientific Research;
- Education;
- Communications.

The SLO FEI Commission shall confirm the above mentioned areas as well as decide on the composition of the working groups. Ideally the working groups are chaired by a member of the SLO FEI Commission.

The working groups shall also receive support from the FEI Headquarters in connection with its work.

The working groups will report to the SLO FEI Commission.

3.3. Timeline

The initial project shall last for 18 months and be divided into 3 stages:

STAGE 1: from June to November 2022 when a first report would be presented by the Chair to the FEI General Assembly. Only the Chair is expected to attend the FEI General Assembly in person. The General Assembly would take place from 9 to 13 November 2022.

STAGE 2: from December to April 2023 when a second report would be presented during the FEI Sports Forum 2023. All Members of the SLO Commission are expected to attend the FEI Sports Forum 2023. Exact dates in April 2023 yet to be defined.

STAGE 3: from May to November 2023 when the final report would be presented by the Chair to the FEI General Assembly. The participation of the SLO Commission at this FEI General Assembly to be decided. Exact dates in November 2023 yet to be defined.