

March 19, 2025
Jean Klosowicz
EC Manager – Equine Business Development

Dear Industry Stakeholders,

In light of the tariffs due to come in effect April 2, 2025, I would like to provide you with as much information as possible so that you are prepared. While much is still unknown, we do know that the 25% US tariffs combined with Canada's reciprocal tariffs will have a significant impact on the equine industry both sides of the border. Effects on breeding, horse sales, training, racing and other competitions, equine welfare, etc. may be expected and the industry will need to be resilient in business practices and decisions as the tariff impacts continue and information unfolds. This, combined with the exchange rate may lead to some unexpected challenges and consequences for the Canadian and USA equine industry for 2025.

Below, you will find information that I have gathered so far from multiple sources that I am aware of. We encourage stakeholders to support each other as much as possible and if you have resources to share, please send them to me so that I can share with others. I will watch for updates from government and industry partners, and continue sharing as new intel crosses my desk.

Please note that **information at any time can change** as well as the April 2, 2025 tariff day. I understand many of you are currently actioning business decisions in advance of this date to leverage some security, while for other business decisions they may have to be shelved, delayed or pivoted to another direction. Nonetheless, we share your concern and we will try to support the equine industry as much as possible.

On Monday of this week, EC partook in conversations with the American Horse Council (AHC) who are deeply concerned as well for the industry, for both sides of the border. Members of CTHS also were present. We feel that by standing together and working together on behalf of the equine industry, we can maximize support and resources for both countries. We are a North American industry with reliance on each other and so it makes sense to work together during unprecedented times.

Please find below the resources I have to date. If you have any specific questions that have not been answered in the resources then I encourage you to share them with me directly. We will do our best to find the answers. If any corrections are needed to the resources provided below, please let me know as soon as possible. If you are inquiring about **EC competitions**, I am not aware of any effects, however if there are impacts, our CEO, Meg, and Comms will provide an announcement to our membership and organizers. My focus is the equine industry at this point in time.

We are currently looking for information on the **shipping of semen across the border, either way**. Our sources for now suggest that semen will be included in the tariff and the value of it 'may' be connected to the stallion's advertised stud fees. We hope to get

more clarification soon. AHC is also looking into it for us. Another question that came up about semen is If a second dose is being shipped for a re-breed is it a separate sale or recognizing it is part of original contract? I will continue to look for answers to these questions.

Please take note, as the tariffs come into effect, I expect that border services across both nations may run into varied/conflicting information as this is equally new to them. There may be incidences of incongruencies from coast to coast. We hope these incidences are minimal as border service staff come up to speed on training.

The open consultation is currently available for comment to the government. Here is the info, from Canadian Federation of Agriculture newsfeed; the deadline is April 2, 2025 or as soon as possible ** please note that in some of the articles below it is mentioned March 25 as the deadline but it is now April 2:

Consultations on Canada's Response to United States Tariffs on Canadian Goods: Comment Submission Form	The government welcomes views on the proposed tariff measures, including the scope of the measures as outlined in Table 1. Submissions will be accepted until April 2, 2025. Input on tariff measures should be provided by completing this form. If you wish to provide additional information not included in the form, as well as any additional views or comments you would like to provide on Canada's tariff response, please e-mail consultations@fin.gc.ca , and include "U.S. Tariff Consultations" in the subject line.	How to participate	As soon as possible	April 2, 2025
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From CTHS March 18/25, re Consultations:

Canadian Tariff Countermeasures Update and Suggested Points to Include:

The public comment period for the proposed countermeasures, with feedback from business, stakeholders, and Canadians regarding their impacts has been extended to **April 2nd.**

Once again, we strongly encourage all industry stakeholders to submit their input through this comment submission form and request an exemption to the Canadian tariffs for purebred

breeding and racing horses at <https://forms-formulaires.alpha.canada.ca/en/id/cm7upmkx9008rx268zhy9l6pj>.

Please make sure you make a note of the following HS Tariff Items in your exemption request:

HS Tariff Item 0101.21.00 Pure-bred breeding animals

HS Tariff Item 0101.29.00.20 – Other For Racing

A few key points we would ask you to include in your submissions:

1. The movement of horses across borders is essential for Thoroughbred, Standardbred and Quarter Horse breeding, racing, and sales, and any additional trade barriers would have severe economic consequences. Such tariffs could discourage international investment, limit market opportunities, and place an undue burden on Canadian Thoroughbred, Standardbred and Quarter horse breeders, trainers, and owners who rely on the ability to import and export horses efficiently.
2. In order to avoid further negative impacts to important Canadian industries that support rural Canadians and that are already suffering negative impacts from the new U.S. tariffs, we strongly believe that purebred Thoroughbred, Standardbred and Quarter Horses used for breeding and racing purposes should be exempted from the implementation of the proposed countermeasures in response to the new U.S. tariffs on Canadian goods.

We will continue to provide updates as more concrete details become available. In the meantime, we appreciate your patience and encourage members to reach out if you have relevant information, insights, or experiences related to this issue.

For further inquiries or to share your feedback, please contact the CTHS National Office:

P: (416) 675-1370

E: info@cthsnational.com

From NTRA – National Thoroughbred Racing Association

<https://www.ntra.com/ntra-advisory-and-faqs-on-tariffs/>

From Standardbred Canada (SC):

<https://standardbredcanada.ca/notices/3-12-25/notice-members-regarding-impending-tariffs.html>

From Canadian Thoroughbred Horse Society (CTHS):

MEMBERS NOTICE REGARDING HORSES AND IMPENDING TARIFFS

On March 4, 2025, the U.S. enacted a 25% blanket tariff on all Canadian goods entering the country. While the measure has been tabled until April 2, if implemented, it will apply

to purebred breeding and racing animals, including live horses, each time they cross the border.

To help members understand the impact of these tariffs on the Canadian Thoroughbred industry, the CTHS has received documentation from the Ministry of Agriculture and Agri-Food Canada and our border broker network. While the situation remains fluid and details are still emerging, we will continue to provide updates as new information becomes available.

EXPORTING TO THE U.S.

Mares for Breeding

- If the mare was born (“originated”) in the U.S., the tariff does not apply.
- If the mare was born (“originated”) in another country, the tariff applies and must be paid upon entry into the U.S.
 - A Temporary Entry permit is available for 30 days from the date of crossing. This requires cash to secure a bond equal to the tariff value, and the owner must provide proof of the mare’s value. If the mare returns to Canada within 30 days, the owner can request a refund of the bond from the U.S. government. However, proof of re-entry — such as a border services date stamp — will be required.
 - If the mare is accompanied by a foal born in Canada, the foal will also be subject to the 25% tariff or require a separate Temporary Entry permit if returning to Canada within the 30 day period.

Horses for Sale and Racing

- If the horse is intended to be sold in the U.S. at auction or by private sale and was born in the U.S. (“originated”) the tariff would not apply.
- If the horse was born (“originated”) in Canada, the tariff applies and must be paid upon entry into the U.S.
 - A Temporary Entry permit is available for 30 days from the date of crossing. This requires cash to secure a bond equal to the tariff value, along with proof of the horse’s value.
 - If the horse is not sold and returns to Canada within 30 days, the owner can request a refund of the bond from the U.S. government. However, proof of re-entry — such as a border services date stamp — will be required.

IMPORTING INTO CANADA

In response to the U.S. tariffs, Canada has announced retaliatory tariffs affecting approximately \$30-billion worth of goods imported into Canada. While the initial round of tariffs did not apply to purebred breeding and racing animals, including live horses, it is likely that future rounds may include such tariffs, mirroring those imposed by the U.S.

The Ministry of Agriculture and Agri-Food Canada has indicated that purebred breeding animals (including live horses) could be included in a second round of tariffs. A complete list of potentially affected goods is available [here](#).

Currently, a 21-day public comment period is underway for these proposed countermeasures, with feedback accepted until March 25, 2025. We strongly encourage all industry stakeholders to submit their input through this form and request an exemption to the Canadian tariffs for purebred breeding and racing animals.

Ongoing Updates & Industry Support

At this time, we do not have definitive confirmation of the full implications of these tariffs for the Thoroughbred industry. The CTHS will remain in close contact with industry

stakeholders and government representatives to obtain the most accurate and up-to-date information.

From American Horse Council (AHC): EC and CTHS staff met with Julie Broadway, President of American Horse Council, and staff Govt Affairs Lead (Brigid) and Health, Welfare & Regulatory Affairs Lead (Emily), on Monday, March 18, 2025. It was a joint meeting to learn what questions are currently asked from our stakeholders, and to share resources about the tariffs. We agreed collaboration is best for the North American equine industry. AHC works closely with US Government leaders and is based in Washington, DC, and will be very active politically in lobbying to protect the equine industry's interests and economies. AHC indicated they will provide support to our industry by participating in the open forum by our Canadian Government, noted above.

Article from Bloodhorse.com

<https://www.bloodhorse.com/horse-racing/articles/283211/canadian-breeders-shaken-by-tariff-threats>

Kind regards,
Jean

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ON | 343-308-5341 | **Equestrian Canada** | www.equestrian.ca

PLEASE NOTE: EC staff are now working fully remote on a **permanent** basis.

À NOTER : Le personnel travaille désormais à distance de façon **permanente**.

Mail and Courier ONLY: Equestrian Canada c/o House of Sport, [2451 Riverside Drive, Ottawa ON, Canada K1H 7X7](#)

Courrier UNIQUEMENT : Canada Équestre a/s de la Maison du sport, [2451, promenade Riverside, Ottawa ON, Canada K1H 7X7](#)

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