FACT SHEET

The "Triple C" Impact

From Reactive Relief to Strategic Feed Reserves

By AU IBAR

The Core Economic Reality

Africa's livestock sector is a foundational economic engine, generating up to 24% of the continent's agricultural Gross Domestic Product (GDP). However, the survival of this multi-billion-dollar industry is entirely dependent on an input that has historically operated in the dark: feed and fodder. Feed constitutes a staggering **60% to 70% of total livestock production costs**. If this critical input remains unstructured, unmeasured, and highly vulnerable to external shocks, the entire livestock sector—and the human food and nutrition security it underpins—cannot survive. Feed is not merely a drought problem; it is a profound macroeconomic and industrial vulnerability.

The Problem: The "Triple C" Crises

The fragility of Africa's agricultural economy has been laid bare by the devastating, compounding impacts of three concurrent global crises, known as the "Triple Cs":

i) **Climate Change:** Unprecedented, multi-season droughts and severe landscape-level flooding.

ii) **COVID-19:** Crippling lockdowns that severed supply chains, restricted labour, and isolated market access.

iii) **Conflict (Russia-Ukraine):** Geopolitical disruptions that sent the costs of imported grain, fertilisers, and fuel soaring, exposing Africa's over-reliance on fragile global supply chains.

Quantifying the Devastation

A recent, comprehensive 42-country continental survey and targeted national assessments, conducted under a broader initiative aimed at building resilient African feed and fodder systems, exposed the devastating market failures triggered by these crises:

i) **The Asset Wipeout:** The 2018–2023 drought in the Greater Horn of Africa eradicated over **9.5 million livestock**, obliterating an estimated **USD 2 billion** in economic value.

ii) **The Business Collapse:** Upstream feed shortages rapidly decimated downstream businesses. Since 2018, **22 dairy processing units** have closed across East Africa, while Uganda's aquaculture sector—once the third largest in Africa—shrank by a third.

iii) **The Warning:** The actual value of livestock lost to drought, alongside the massive costs of emergency relief, accounts for **less than 1%** (0.15% and 0.11%, respectively) of the total economic losses stemming from the broader inefficiencies of the feed and fodder sub-sector. The true cost lies in daily, chronic business fragility and the USD 110 billion lost annually to the importation of livestock-sourced foods.

The Policy Failure: Lagging Indicators vs. Leading Indicators

Currently, African disaster management systems rely on *outcome-level* (lagging) humanitarian indicators to declare feed-related emergencies—such as severe animal emaciation or mass livestock mortalities. By the time these triggers prompt the mobilization of emergency relief, the economic and genetic damage is already irreversible. Waiting for climate disasters to strike before deploying ad-hoc relief is a failed economic strategy.

Urgent Policy Recommendations

To avert future disasters, Ministers of Agriculture and Livestock must transition from reactive disaster management to proactive industrialization. Immediate directives must include:

i) **Establish Strategic National Feed Reserves:** Pivot away from emergency humanitarian feed distribution and mandate the creation of proactive, commercialized national feed and fodder stockpiles to buffer seasonal and crisis-induced deficits.

ii) **Create Feed and Fodder Development Authorities:** Elevate the sub-sector by establishing dedicated, statutory regulatory bodies, separating feed and fodder governance from general disaster risk reduction agencies.

iii) **Institutionalize Feed Balances:** Legally mandate National Bureaus of Statistics to conduct regular Feed Inventories and dynamic National Feed Balances. Governments must identify critical supply deficits *before* a drought occurs.

iv) **Reform Early Warning Triggers:** Overhaul emergency alert systems so they are triggered by anticipatory, leading feed-deficit metrics (e.g., **10% warning, 25% alert, 45% emergency, 60% disaster**) rather than waiting for livestock mortality.

Expected Impact

Prioritising strong policy and financial investments in the feed and fodder sub-sector will fundamentally alter its trajectory. Through establishment of strategic reserves and data-driven governance, the sector will transition from a vulnerable, climate-dependent survival mechanism into a resilient, globally competitive agro-industry. This shift will safeguard billions in national GDP, create structured employment for youth, and permanently secure human food and nutrition targets.