BROOKINGS | FORESIGHT AFRICA PODCAST

The Brookings Institution
Africa Growth Initiative

Foresight Africa Podcast

"Is gold mining part of the solution to climate change?"

Wednesday, August 16, 2023

Guest:

JOHN MULLIGAN
Climate Change Lead and Market Relations
World Gold Council

Host:

ALOYSIUS UCHE ORDU
Director, Africa Growth Initiative
Senior Fellow, Global Economy and Development
The Brookings Institution

Episode Summary:

John Mulligan, climate change lead at the World Gold Council, talks with host Aloysius Ordu about the Council's role in global gold markets, changes in those markets, and how gold mining can be part of the solution to climate change. Mulligan also looks ahead to the next global climate conference, COP28 in Dubai.

[music]

ORDU: I'm Aloysius Uche Ordu, director of the Africa Growth Initiative at the Brookings Institution, and this is *Foresight Africa* podcast.

Since 2011, the Africa Growth Initiative at Brookings has published a high-profile report entitled *Foresight Africa*. The report covers key events and trends likely to shape affairs in Africa in the year ahead. On this podcast, I engage with the report authors as well as policymakers, industry leaders, Africa's youths, and other key figures. Learn more on our website, Brookings dot edu slash Foresight Africa podcast.

ORDU: My guest today is Mr. John Mulligan. John is the director and climate change lead at the London-based World Gold Council, where he's been working for the last two decades. John, a our warm welcome to our show.

MULLIGAN: Thank you and thanks for having me. It's great to be here.

ORDU: Let's get started then. You serve as the director, as I mentioned earlier, and climate change lead at the World Gold Council. For the benefit of our listeners in Africa and elsewhere in the world, what exactly does the council do?

MULLIGAN: It's a very good question. We were formed 35 years ago now by some of the large gold mining companies in the world who at the time, I think it's fair to say, felt that they were somewhat disconnected from the gold markets. And that's because in most of the world, it's quite a long way from where gold is mined to where it's consumed, with the exception of China. So there was a sense that what was happening in the markets was not well understood by the people producing gold. So they formed an organization called the World Gold Council to try and bridge that gap, to try and perhaps wherever possible contribute to what we call market development, to broadening the market, broadening accessibility to gold.

What's happened over the last few decades is how we do that, how we implement our mandate, has very much changed. For the first two decades, we were probably very focused in the markets, developing investment markets, talking to regulators, developing product lines. But increasingly, I think, it's become recognized that we have to look at the whole value chain and we have to look at that value chain to ensure that the product and the way it's produced is both fit for purpose but also, if possible, minimizes negative impacts and maximizes value creation.

So, my role I started off as an investment and analysis, but over the last decade or so, I've also started to look at those the how we intervene or influence the value chain in terms of sustainability and what we now call ESG, environmental, social, and governance risks and opportunities.

ORDU: We'll talk some more about this in a minute. And I just wondered, in the time you've been there, as you mentioned, over two decades or so, I know it's impossible to capture all the things you've accomplished, but could you share with us just a few highlights?

MULLIGAN: There's been some structural changes in the market. So first of all, there was concentration in gold production. If we were talking about the seventies and early eighties, South Africa still dominated go mining to some extent. It was certainly less distributed across the world in terms of where gold came from.

But when it comes to the destinations for gold—how gold is bought, how it's consumed—that's quite significant, and the World Gold Council has been, I think it's fair to say, instrumental in opening up a lot of markets. We were very involved in opening up the Chinese market, for instance. It was illegal until the early 2000s for Chinese individuals to own gold as an investment. So it was a very small market. It was a very heavily controlled market. It is now the largest gold market in the world. Similarly, we were involved in opening up the Indian market.

And it's quite significant that the opening up of the gold markets, whilst not causal, was quite concurrent with the broader development of those markets. And that's true generally. So they were very significant cause they created structural change in the market.

Other structural changes have been introducing institutional investment to gold. So initially when the gold market started to open up in the seventies and eighties, big institutional investors didn't really consider investing in gold at all. And even if they did, they weren't sure how to. We created products and with the financial markets created efficient mechanisms. So they are very big structural changes in terms of the global gold market.

And I think in terms of how gold is produced and with a significant impact on the African context, basically firming up what we call responsible gold mining, saying, okay, how does how does the mining companies, how do they demonstrate both responsible practice but also how do they demonstrate that they are aware of their wider impacts in terms of society and local economies? And that's been a gradual change, but over the last four or five years we've seen a real concerted effort to demonstrate that awareness of those impacts.

ORDU: Central banks are buying gold in unprecedented volumes given it's the risk mitigation asset, as you know. Can you tell us about how your work is enabling central banks to become more sustainable?

MULLIGAN: So we have we've had a central bank policy and engagement team for many, many years. One of the things was literally just to make sure that central banks, particularly in developing economies that generally didn't participate in gold, demonstrating to them the benefits of gold, meaning basically how they can diversify their reserve asset management systems and move away from concentration risk in one set or one currency based set of investments.

But also, more recently, we've been involved in bringing central banks to the table to discuss how they may possibly participate to the benefit of their local gold market. And what I mean by that is we, the board, our members, are the large scale miners to some of the industrialized miners. However, we're very mindful that in a lot of developing and frontier economies, artisanal gold mining is both a major employer but also a potentially a major risk factor. It can generate a lot of jobs, relatively wellpaying jobs, but they can come without much regulation. They can come often with very significant social and environmental risks.

And so one of the things we've done quite recently with the central banks is say those central banks that are aware of their local gold mining, aware of the artisanal gold production, they may be a potentially a force for good, a force by which they can have purchasing programs that encourage what we call formalization or more responsible practices in the host country, but also allow the local gold miner to have an access point to the international markets. And that's one of the great challenges. Often local gold miners, artisanal gold miners, don't have any clear route to fair market.

So it's a relatively small program within the central bank scheme of our broader operations. But I think it is quite significant when we start to talk about gold mining in the African context.

ORDU: In 2019, I believe the World Gold Council launched the Responsible Gold Mining Principles. Could you explain what these principles are, briefly to us, please?

MULLIGAN: I can and I'm very glad you asked, because we for a long time, ever since I've been here, have been talking about responsible gold. When we're talking about responsible, we're talking about the gold market, we're talking about responsible gold actors, responsible gold production.

But increasingly, over the last five years or so and maybe the last decade, there's a lot greater scrutiny, a lot more questions asked—so what do you mean by that and how can you demonstrate it? So being aware of both societal expectations—civil society expectations and investor expectations—we said, okay, well, we need to define what we mean by this in detail, because we have almost a privileged access to a large group of gold producers, our members. We basically said working with them, working with civil society, working with many organizations in consultation with governments, et cetera, we will define what we mean by responsible gold mining. That became the responsible gold mining principles.

There are ten overarching principles which we think represent most of the material aspects and risks that we book it into kind of ESG. Actually, we start with G, we start with governance, and work down towards impact. And underneath those ten umbrella principles, there are 51 principles. They are, wherever possible, independently verified by external assurers. They are now mandatory for our membership. And our membership is well over half of all of corporate gold production in the world. So that means that by being mandatory, by being independently verified, we have made it quite clear what we perceive as both the expectations of gold mining, but also what their performance will look like and how they will demonstrate it that can be scrutinized by society and investors and other stakeholders.

So that's what the RGMPs are for. We're just coming towards the end of the first full reporting cycle. So the idea was to give the companies three years to get up to speed if they needed to before they started reporting publicly. Then reporting becomes an annual process in terms of verification and assurance. We're coming to the end of that first cycle, which like I say, it was launched in 2019, started to become implemented in 2020, and now we're looking for that reporting cycle to kick in very soon.

ORDU: So Africa, as you know, holds considerable resources vital to a clean energy future. The potentials to transform economic growth and to create jobs are huge for the continent. How do we ensure that Africa's role in the global decarbonization journey is broadened beyond mineral extraction?

MULLIGAN: It's a very good question. And I should contextualize that by the fact that the discussion around critical minerals and minerals that are needed to underpin the clean energy infrastructure, clean technology, renewable energy, et cetera, gold is not included in those. And I should make that really clear: gold is not seen as a critical mineral.

That said, it has some very critical roles to play when we talk about the gold value chain. And that is because gold in many remote locations and in many African contexts has to generate its own power. It has to generate its own power because there is no grid to plug into. And therefore if it is to decarbonize, it needs to bring clean energy infrastructure technology to those areas. And in doing so, the opportunities to then make some of that energy more widely available to communities. So you start to make local and clean energy transition technology available and economically viable to local economies. And I think that's key.

However, to your broader question, I think the question is, and it's one that we hear often in mining, how do you create a sustainable supply chain? How do you basically ensure that mining can not only commence and start to produce those minerals? How can the extraction of those minerals generate value that is shared by the host country or the host community?

Now, we spend a lot of time on this in gold mining because gold is of high value. There's often a perception that the gold mining process extracts the mineral and extracts the majority of the value. We have spent over a decade now, again, and because of that privileged position of being able to ask the miners, we would like to know where the money goes. We'd like to track the money. Follow the money when it goes. Where do you spend your money in terms of taxes, royalties, suppliers, the income levels of your employees, et cetera? Where does the money go? And then how much money comes back to lenders of capital and shareholders, et cetera.

And certainly the vast majority over the last decade, it depends on where the gold market is, but typically between 60 and 80% of the money expended in gold mining actually remains in host countries. Most significantly, which often people often underestimate, is the significance of the money that goes to local employees and suppliers, providers. There has been a major effort over the last decade to encourage local supply chains to grow, to try and develop economic capacity.

The vast majority of employees, for instance, it's no longer an expat industry. The vast majority of employees are 95% or more are typically employed from the host country. And I think that's key.

What we're seeing that's also significant, and I think it's true of all mining, but it's one thing that the mining industry needs to communicate to its host countries and host governments, and it's really important when we talk about the transition, is the shift in technologies, the shift in the nature of mining, and the shift in skill sets and opportunities.

Yes, it's certainly a heavy industry. Yes, it involves a lot of hard labor, but increasingly it's a high technology industry. Increasingly, those skills are transferable and I think that needs to be developed and far better explained to both host policymakers and stakeholders, because I think that allows—I'm talking about the gold market and gold in the gold mining industry—but it allows the broader industry to try and demonstrate its value and its broader purpose, which I think is not well communicated.

ORDU: Talking of supply chains, John, earlier this year you attended the OECD Responsible Minerals Forum in Paris. Governments worldwide, as you know, are seeking to build more secure supply chains. How can firms and governments work together to support more responsible practices? And do you have any examples of what has worked well in African countries, please?

MULLIGAN: It's a very good question indeed and very topical. That forum on Responsible Sourcing of Minerals, it emerged from trying to create responsible minerals supply chains in the context in the context of potentially conflict affected areas. That's what that policy grew out of. It's now broadened its mandate to look at responsible mineral chains across the board. The question that most comes most comes up in that forum, the question that's often the one that is seen as key to unlocking collaboration and potential, a question that is not always well answered is how to bring governments to the table in a collaborative way for a sustained period.

And I mentioned that sustained period because you mentioned some of the success stories. The problem with the success stories if they are not funded with a long-term view supported by the government—so they may be funded by development institutions or some development finance, but it's relatively short-term—is the success story can be a success story for a while and it can cease to be when the funding stops or the development institution removes itself.

You need that long-term vision and long-term commitment from a group of actors, frankly, from business. Business often brings the capabilities, the capacity, some of the technologies, the skill sets. It also sometimes takes the risk particularly when we're talking about new technologies and so on. And I think it sometimes can do that. Development banks often come in and may be taking some of that risk too, in terms of the initial stage of projects.

But I think what we really need, and I think what's been perhaps lacking in the past, is the long term vision in terms of, okay, what is the joint objective of both corporate actors and governments? So there are some success stories, but the success stories have also often turned into failures, and so I'm hesitant to point them out. We were talking about them. And in the artisanal space, we've been looking at that really closely, saying, okay, well, how can large scale gold miners, along with international, supranational organizations and governments, come together to try and avoid those success stories that have failed and that have turned to failure in the past?

The World Gold Council is talking with organizations like the World Bank and so on to try and see how we might define what good practice looks like, find solutions, and find solutions that are enduring. That's the real challenge.

ORDU: A key challenge indeed. John, you also you led an excellent report last year called "Lessons learned on managing the interface between the large scale and artisanal and small scale mining." What were your key findings? And what's the status of implementation of that report?

MULLIGAN: So I've already alluded to it. When I was fudging the answer to your previous question, I was actually alluding to some of the some of the content, some of the content in that report. And I can't claim the glory for that report. Several of my colleagues, and particularly one called Edward Bickham, was very key in drafting that.

I think where it is now is when we published that, we'd already published the central bank case studies example of how central banks might intervene in terms of artisanal gold mining. So if you look at that report you mention, it covered a whole load of examples of what we might call attempts at good practice, potential solutions, both often initiated by large scale miners and pointed out where there had been some successes. As I say, a lot of those successes have not been enduring. Where we are now is trying to say, okay, well, what have we learned from bringing those lessons together?

And one of them has been, okay, well, can we find ways to incentivize government to come to the table at governments? So that's a key. So one of the discussions with organizations like the World Bank is s their leverage from their perspective or in a collaboration to say, okay, well, let's have a longer term perspectives on these projects. And so we are looking at those projects and engagement. We've got study groups and working groups where we're trying to bring particular examples we can go back to in terms of good practice. It's a little early for me to actually point to any specific project because frankly, we have just convened that group. We've had a number of meetings between state representatives, supernationals, mining companies in particular, gold miners in particular, many of whom are very, very eager to try and find a way to make this work.

There are some there are some examples of ASM mines working in corridors where they've been granted safe and secure tenure to develop and so on. But the real question is finding solutions that are scalable. The reason why they're hesitating to highlight success stories is that a success story can almost overwhelm itself, meaning a number of artisanal miners can very much be given a secure, stable environment in which to operate. But if that becomes well-known, then you can have migration of larger numbers of people seeking similar opportunities, which frankly can overwhelm projects.

So that's why I'm kind of saying you need to find success. You need to find the capacity to scale that success and it will always need governments to come to the table at some level.

ORDU: Fair enough. John, in response to a Bloomberg piece, you recently posted a message on LinkedIn that it is well worth repeating and very frequently that protecting nature is going to be expensive, but far less expensive than our destructive tendencies not to. Could you explain what you mean by that for the benefit of our listeners?

MULLIGAN: I'm first of all, I'm impressed somebody reads my LinkedIn page, so thank you for that. So often, and it's true with climate and that's kind of my specialization, but increasingly we're looking at the broader what I call climate biodiversity intersections, because you need nature based solutions, you need to protect nature if we're going to actually stabilize the climate, too. And the Bloomberg piece was useful because it put a number on what the annual cost will be to do this if we want to meet our nature protection, biodiversity protection goals. And I say that 1 trillion annual cost is seems very significant.

But the other big important thing is to put a cost on, as I say, cost of inaction, the cost of the cost of environmental degradation. And there's a lot of time and effort now being put on trying to quantify the value of nature from an economic perspective. A lot of our economic activity's underpinned by nature. Without it, we cannot do an awful lot of business. And so there's an economic cost to inaction. And the economic cost, I think, was nearer 3 trillion if we don't over time. So meaning that it there's a net benefit, a net economic gain to biodiversity protection. This is not just about protecting the natural environment for us to enjoy at a kind of esthetical or a personal level. It is actually there are numbers to for hard-nosed business people and investment people to consider if they don't reallocate capital or start building plans.

And so I think that once we got once we got numbers that basically start to make this real for investment folk, strategy makers who are also very focused on protecting economic opportunity, then I think it becomes meaningful for everybody. And the price of inaction is often something we fail to cost in it in terms of both valuations and our long-term estimates of economic growth and social development. So yeah, the cost of inaction, I think putting a number on it, it crystallizes the issue for many people.

ORDU: Those are those are no the numbers you mentioned, those are staggering numbers indeed. And yeah, it's astounding. John, I recall earlier this year that you also you attended the Mining Indaba in Cape Town. In fact, we spoke while you were still there in Cape Town, South Africa. What were the key highlights and conclusions from the Indaba, what's your take on the mining sector's progress so far in terms of decarbonization? And what are some of the quick wins that can be made?

MULLIGAN: An immediate take away from the Indaba and from frankly a lot of the mining events I've attended, is that everybody now recognizes that mining is absolutely a core part of the solution to climate change. So this idea of the volume of critical minerals that will be needed to enable us to decarbonize is very significant. So we need to create a virtuous circle, meaning we need more mining, but we need to minimize negative impacts. And actually, as I say, maximize the positive.

Meanwhile, mining itself has to decarbonize because what is the point of producing more metals for decarbonization if you're also pumping more carbon into the atmosphere? So we need decarbonize mining, we need more of these minerals, and very significantly I think that is now recognized. And so you have a sense of optimism to some extent in the mining community because they know that there is this significant demand for their material and therefore the industry should be in a good state to consider growth. Growth, hopefully, as I say, with a very clear sighted perspective on minimizing negative impacts.

But in terms of the state of decarbonization, well, there's a lot to be optimistic about and I obviously know the mining industry best and the gold mining industry's path to decarbonization—the low hanging fruit, the ability for it to decarbonize at speed and scale is, as I've mentioned before, an energy story. It is both the energy story, its ability to shift where it generates its own power from diesel and heavy fuel oil in particular to renewables. And also where it's plugged into a grid, its ability to influence either the grid provider, the provider of the electricity, or to influence the policy environment to allow renewables to prosper.

And the example I always mentioned there is South Africa, where all industry pretty much was dependent on Eskom. It was a monopoly and it's largely coal fired and therefore a very high carbon source of energy. And it was the precious metals, not solely, but the precious metals miners in particular who had long been trying to pressurize the government to say we need to be able to self-generate or to move away from Eskom if Eskom doesn't move quickly enough. We have to and you have to allow us to do that.

So the removal of the cap, the limit on how industry could self-generate power, allowed in South Africa a renewable energy industry to prosper. It would have been economically unviable for renewable to prosper at scale because frankly the Eskom monopoly inhibited it. But I think that's changed. I was in South Africa down a deep mine, one of the deepest in the world, and you come up to the surface and there is a brand new solar array and that solar array is already growing its capacity. So they had the ability to both self-generate to influence energy systems, I think that's a major opportunity for go mining.

And it's not just in developing economies. You see the great success stories in gold mining in parts of remote parts of Australia where renewables are now powering mines to the point that the majority of power in some mines is now renewables.

I think the mining industry has to both articulate its purpose in terms of how the host countries will benefit from that and it also has to support the building of capacity and infrastructure. And this is what the downside or the negative that I took away from Indaba was some of the conversations in the ministerial forums that I participated in where there was still a quite understandable, completely rational need to prioritize energy poverty. We said, okay, well let us use whatever resources we've got to address that first before we look at the issue of decarbonization.

I think if an industry, and gold mining is fortunate to be in this position, if an industry is a strategic contributor to the to a host economy, it may also have a strategic role in expanding the capacity of that country to embrace renewables. And I think that's quite a key point. It does hopefully go back to your previous question about the possible role or opportunities for government and business to collaborate.

ORDU: Yeah. In fact, for the benefit of our listeners, I'll turn now to John, your brilliant essay in *Foresight Africa 2023* titled "Gold mining, climate change, and

Africa’s transition." Many, many, many of the issues we’re discussing here and the points you’ve made basically are well captured, succinctly captured, in that brilliant essay. In particular, you also wrote about how gold mining can be of strategic importance in catalyzing positive change, which you just spoke about now, especially when we consider the urgent need to mitigate climate change’s destructive impacts via rapid decarbonization. Can you explain a bit more, John, on how gold mining companies in Africa are contributing to this lower carbon footprint? In addition to the South Africa example you already cited?

MULLIGAN: So if you look in many countries in Africa and you look for the first mover, who brought and proved the viability of a renewable energy source, in many countries it is gold mining. So in Burkina Faso, the largest solar array is at the Essakane Project, which is a JV between the mine and the local government. That’s the largest solar array in that country. There is one in the planning stage, which is another gold mining company seeking to also build a substantial solar array.

If you look at hydropower in DRC, Kibali is a great story. Kibali was an artisanal gold mining area with an old dam I think that was left from the Belgian colonial times. That hydro dam has been developed. There have been now three additional hydro dams have been developed proving that the clean energy can be expanded.

But really interesting for me is that the people who built those dams gradually became a local business. So the last dam was actually somebody from the area. And that that business is now trying seeking to export those skills, the ability to build hydro power to other African nations. So it’s not only the ability to bring the technology to a country where basically there may be no capacity, there may be no frankly, maybe no political will to actually create a renewable project at scale, or at least not to absorb the risk that may be seen or perceived in such projects. But by doing so, I think gold miners have proved it, and then they create the capacity which could expand.

And as I mentioned, the great example of somebody who started work at one of those hydro dams many years ago and now owns a business which is actually exporting its abilities potentially to other African nations. I think that’s quite significant.

ORDU: John, you participated in COP27, Africa’s COP, in Sharm el-Sheikh, Egypt. What were you expectations going in and where those expectations met?

MULLIGAN: The COP question is always a good one. I have never heard this answered in any other way but half empty, half full. So the question with COP is the road to COP is often more significant than COP itself, because the road to COP is where the negotiations start, where the expectations are set. The positives, and there were some, I think, well, first of all we have seen in recent cops the very significant participation of business and investment. So COPs historically have often been governments haggling over their contributions and their targets and so on. And that’s still obviously core to what a COP is under the UNFCCC.

But nonetheless, we’ve seen business investors now coming to COP to try and accelerate progress and discuss reallocation of capital—I think that’s really quite significant—to hopefully support what governments have committed to. And so I think that was something that's useful to see at COP. The biodiversity agreement which came out of COP was quite key. I know there's the biodiversity came out to the biodiversity conference, which was not the same COP, but there was a lot of discussion of the overlap and a lot of momentum was set in terms of we need to address both at once.

I think there has been some clarity now in terms of decarbonization and movement away from fossil fuels. It emerged from Glasgow, but it's kind of consolidated, we hope it's consolidated. So I think there's a lot to be said of what comes out of COP. And very significantly from an African-hosted COP, the issue of commitments to aid, adaptation, and resilience, which had often been neglected at COP, it had often been net zero decarbonization.

But this issue of the people who are unfortunately enduring the lived experience of climate change, the people who are enduring some of those really hard physical impacts, they need clear assistance in building resilience and adapting to those physical impacts. And that's always been there since Paris, but it's never really been given the time and the attention it needed to say, okay, how do we translate that? There's always been some money potentially on the table. In fact, there's been some money promised, but it wasn't really addressed properly in this COP. I expect it to also be addressed in the UAE in the next COP.

So I think this issue of balancing the needs to decarbonize at scale and speed with this also pressing issue of building adaptation for the most vulnerable, I think that's something which we expect that too to become a completely balanced argument because this whole issue of a just transition and has to be clarified. For many, the just transition seems to be climate change was not our fault historically, and therefore why should we decarbonize? Why can we not exploit our fossil fuel reserves? And there's a logic to that. There's a fairness to that.

At the same time, we're all in this together. We all have to decarbonize. So we have to make sure that the COP discussion embraces that balance between rapid decarbonization and the ability to fund adaptation and resilience. And I think the conversations around COP, if I was to be positive, they seem to be a little more balanced in recent years.

ORDU: That certainly came across in Sharm el-Sheikh. You mentioned UAE, I'm just wondering, John, as we approach COP28, now billed the investment COP in Dubai and later this year, how is the Gold Council preparing for this COP?

MULLIGAN: It's something that's very high on my agenda, as you can imagine. First of all, as the question is, there is only a point in being at a COP if you have something to say. There's thousands and thousands of people all talking at the same time, a COP. And so you have to bring something to the table. And for me, it is this idea of trying to create a rounded solution or position when it comes to climate risks. So we've, we looked recently at physical risk. We looked at adaptation resilience in terms of what that means at the gold mine site, but also what it might mean to wider communities particularly in vulnerable locations.

I think this issue of starting to consider nature and broader environmental impacts is also now key, which is what I'm kind of looking at and trying to see how that discussion is developing at COP. It's certainly developing as we move towards COP. There's not a climate event I've been to recently, should I say, that hasn't been 30, 40% now a nature-biodiversity discussion. So, I'm interested in that.

The investment side is really interesting. As I say, we have seen very significant discussions. We saw in Glasgow the emergence of GFANZ, which we've seen these big institutional investor clusters who are all committing to both limiting their exposure to carbon intense assets but also facilitating and decarbonization in terms of asset allocation, where the money goes.

I think you would hope, given the fact this is billed as an investment COP, that that that conversation is comes to the fore. But really importantly, I think it needs to start joining up the investor perspective with the governmental perspective. And that's kind of what's often missing. Where do the government's nationally determined contributions—what a government has said it will do about carbon, its commitments, its commitments emerging from Paris and restated successive COPs—how does that interact? How does it engage and hopefully be mutually supportive of corporate action and corporate finance and so on. And I think that conversation, the two are often parallel, but hopefully we can bring them together. If you have something called an investment COP, that's what we would hope it would be for.

ORDU: Appropriately termed: investment, we do hope what materializes is what you just articulated. So, John, as we wind up, what advice I'm just wondering here, would you give Africa's negotiators and policymakers on how best to prepare to achieve a better outcome for the continent in COP28?

MULLIGAN: A little small, simple question to end on, thank you. I think there's a number of things which anybody who's been kind of engaged in the climate change discussion cannot avoid. And yet constantly it's disappointing when you see some of the discussions in practice. One, you need long-term vision. You need long-term strategy. These are objectives and problems that need us to look to a longer term than the next quarter, the next year, or even the next ten year of a particular political regime. So you need to consider what is good for the national interest, but what is good for the planet over the long term.

And what that means it's in some points, I would say, greater collaboration. So in the African context, for instance, there's lots of examples of how if countries—and again I'll return back to decarbonization—if countries sought to complement each other's natural resources, and by this I mean the sunshine, the wind, the water, and pool resources to be more complementary, they would have both more stable power systems and more affordable power systems.

You need some of those discussions regarding a kind of a regional interest. By region, I mean obviously very large regions, many countries talking to each other to try and achieve a long term objective. So it's a long, long answer. But long term is absolutely key to this, I think. Courage and bravery to put the interests of people beyond the immediate political interests of the party or even a short term agenda, I think, is important. And unfortunately, that sometimes gets lost in the very the very understandable, rational, short-term problems that basically are obviously high on the agenda of many policymakers.

But as I say, these problems are so these problems are so large that, frankly, any one government would not solve them. You have to basically collaborate. And we've already mentioned it: basically, you need to bring responsible actors, investors into the fold, create amenable, stable environments to allow to allow value to be both created and distributed in a stable, long-term fashion. And I think that stability, that long term view is key.

ORDU: So I've been speaking to John Mulligan. He's the director and climate change lead at the London-based World Gold Council. John, it's been a pleasure speaking to you this morning. Thank you very much for joining our podcast.

MULLIGAN: Thank you again. It's been delightful.

[music]

ORDU: I'm Aloysius Uche Ordu, and this has been Foresight Africa. To learn more about what you just heard today, you can find this episode online at Brookings dot edu slash Foresight Africa podcast.

The Foresight Africa podcast is brought to you by the Brookings Podcast Network. Send your feedback and questions to podcasts at Brookings dot edu. My special thanks to the production team, including Kuwilileni Hauwanga, supervising producer; Fred Dews, producer; Nicole Ntunigre and Sakina Djantchiemo, associate producers; and Gastón Reboredo, audio engineer.

The show's art was designed by Shavanthi Mendis based on the concept by the creative from Blossom. Additional support for this podcast comes from my colleagues at Brookings Global and the Office of Communications at Brookings.