

SAIMM ESG CONFERENCE

The role of mining and metals in driving just and sustainable economic development in Africa

Keynote address

16 October 2024

OUR MISSION

**To accelerate the move
to a decarbonised
future.**



The Carbon Trust is also part of technical working groups at these institutions



The role of mining and metals in driving just and sustainable economic development in Africa



Increased demand for critical minerals



Challenges



Best practice



Environmental and social risks



Opportunities

The global energy transition is a key driver of increasing demand for critical minerals, many of which are in Africa



Increased demand for critical minerals



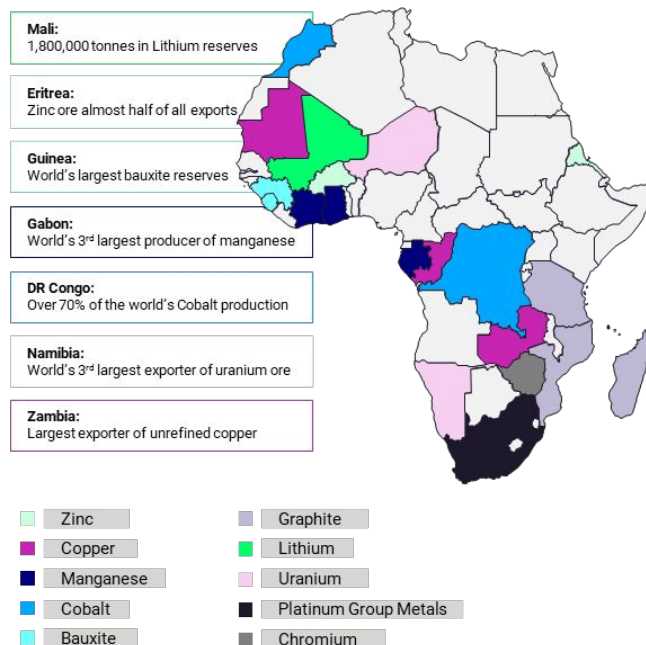
- Population growth and urbanisation
- Transport, housing, infrastructure



- Global energy transition
- Solar, wind, batteries, vehicles



- Cu: 230% increase by 2050*
- Ni: 300% increase by 2050*



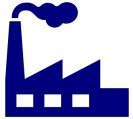
Source: [The Mineral Intensity of the Clean Energy Transition](#)

* [IEC Net Zero Roadmap for Copper and Nickel](#)

Increased mining activities threatens to exacerbate existing environmental and socio-economic risks



Environmental and social risks



- Biodiversity loss, water pollution
- Carbon-intensive production



- Floods, droughts, extreme weather
- Direct and indirect costs



- Displacement of communities
- Indirect impacts from environmental risks



- Carbon pricing, market shifts
- Unemployment risks

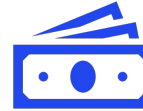
Several challenges need to be addressed to ensure the benefits from increased mining activities are equitably shared



Challenges



- Good governance
- Equitable distribution of benefits



- Significant cost
- Access to sustainable finance



- Infrastructure challenges
- Regional value chains



- Skills development
- Reskilling at-risk workers

There are several opportunities for advancing responsible mining as a catalyst for sustainable economic development



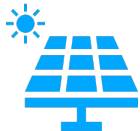
Opportunities



- Green industrialisation



- Developing regional value chains and infrastructure



- Renewable energy and decarbonising value chains



- Circular economy opportunities



- Sustainable and inclusive mine closure and rehabilitation

Best practice considerations for responsible and inclusive mining



Best practice



- Environmental stewardship



- Governance and Transparency



- Community Engagement



- Local procurement and value addition



Q&A

**Thanks for
listening**

Contact us

Please contact our experts to see how we can help you turn climate ambition into impact



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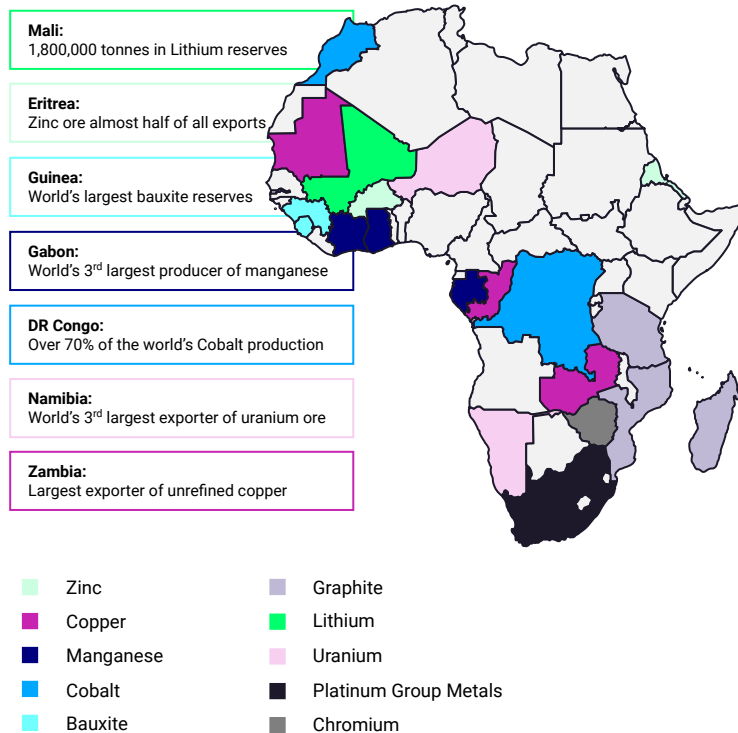


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The global energy transition presents significant risks and opportunities for Africa's mining sector



Global energy transition will **significantly increase demand for energy transition metals**. Most of the global reserves for these energy transition metals reserves are in Africa. **This presents a risk** to both the African continent and the global energy transition:

- BAU approaches to mining threaten to **perpetuate negative environmental and socio-economic challenges**, particularly for mining communities
- BAU mining is also **carbon-intensive**, exposing African exports to **transition risks**, reducing their international competitiveness (e.g., CBAM)
- Africa is extremely **vulnerable to physical risks** associated with climate change, threatening the supply of energy transition metals for the global energy transition

However, it also presents a **significant opportunity to enable sustainable economic development** and contribute to a broader just energy transition across Africa. Transitioning to sustainable and responsible mining can:

- Mitigate environmental and socio-economic risks associated with the sector
- Provide **opportunities for local, green industrialisation** (e.g., developing new renewable energy and circular economy value chains)
- Contribute to a broader **just energy transition** by offering new opportunities for at-risk workers and communities



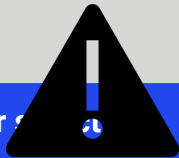
1.5C vs 2C trajectory



Carbon Neutral vs Net Zero



Baseline year

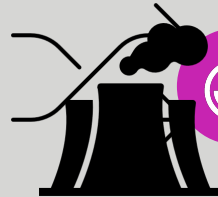


* Part of deep dive assessment



Near-term targets

* Part of deep dive assessment



Long-term targets

* Part of deep dive assessment



Absolute vs intensity targets

* Part of deep dive assessment