

Corporate “Guest” and “Good Neighbor”: Sasol in Mossville

Once a comfortable and thriving community devoted to farming, fishing and hunting, Mossville in southwestern Louisiana is now struggling – hemmed in by 14 industrial facilities that collectively release more than 1,000 tons of toxins into the air each year. In 1998, Mossville residents began developing chronic and life-threatening diseases including cancer, respiratory, immune and reproductive illnesses – all of which have been linked to chemicals released by the surrounding facilities. Predominantly African American communities like Mossville are more apt to have polluting facilities locate nearby than are white or wealthy neighborhoods, because they lack the financial resources and political power to ensure their concerns are heard and addressed.

Members of ICCR have partnered with the community since 2009, when its residents first asked members to use their leverage as shareholders to open doors for dialogue with the neighboring companies. ICCR’s members agreed to help community members bring their questions and demands directly to corporate management.

Said Donna Meyer of Mercy Investment Services, Inc., “ICCR members provide a much-needed source of support for the people of Mossville as they seek accountability and meaningful involvement in the corporate decision-making that impacts their lives and well-being.” To support the community, ICCR members successfully pressed Conoco Phillips’ CEO to keep his promise to meet with community members, and urged PPG Industries and Georgia Gulf to likewise engage the community.

The Mossville community and ICCR have built a constructive working relationship with Sasol, the South African energy company. Two years ago the company

announced plans to develop a \$21 billion complex in Mossville and neighboring Brentwood. Community members were not consulted, and turned to ICCR for help.

ICCR members Mercy Investment Services, Inc. and Trillium Asset Management asked for a meeting with Sasol management to discuss its community engagement plan, and Sasol responded positively. Said Susan Baker of Trillium, “Companies without strong community engagement plans face real reputational risks. We were pleased Sasol sought to mitigate these risks by meeting regularly with the community in Mossville, and seeking meaningful ways to communicate.”

Sasol has instituted a comprehensive, voluntary home purchase program (VPP) to purchase the land on which it seeks to build its new plant. Sasol has agreed to pay for up to three appraisals per home, and will pay up to 160% of the average of the two highest appraisals. The community further asked to be allowed to retain any mineral rights they may currently have as property owners, and Sasol has consented.

Over 80% of eligible homeowners initially registered to participate; as of July, 294 have accepted offers and 116 homes have closed. While not an ideal solution – i.e., one that would allow residents to stay in their homes with clean air and water – it is a step in the right direction.

Compared to several industry peers, Sasol has exhibited elements of exemplary community engagement. Instead of ignoring community members, Sasol met with them weekly. Sasol is also spearheading a workforce retraining program and a community impact study. The company also sent its



Mossville community members meet with representatives of Sasol.

environmental permit applications to the community’s advisors for feedback.

Michael Hayes, Manager, Public Affairs, Sasol US Megaprojects Westlake/Houston, has been shareholders’ and the community’s main point of contact for two years. “In the early days of the Mossville community interaction, we sought the input of the EPA’s Office of Environmental Justice. The office’s advice was to consider ourselves ‘guests’ of the community, even though we already considered ourselves ‘neighbors.’ As we continued to engage with the community, we realized the wisdom of this advice, because guests are held to a higher standard than neighbors and receive their permission to operate from the community. We learned that a higher standard is required of us, and being a ‘good neighbor’ is not enough. Our performance must be exemplary.”

While negotiations are ongoing and not every Mossville resident has accepted relocation, ICCR has been impressed with Sasol’s comprehensive approach to community engagement. Importantly, Sasol has committed to regular meetings with community members, devoted resources to better understanding Mossville’s rich history and has focused on delivering a transparent VPP process to residents.