

Denounce – Divest – Defund Formosa Plastics’ “Sunshine Project”

The Formosa Plastics “Sunshine Project” is a proposed [\\$12 billion](#), 2,400 acre petrochemical complex slated to be built in St. James Parish, Louisiana.¹ This monstrosity, owned by the Taiwanese company Formosa Plastics Corporation, would produce ethylene glycol, a building block of polyester fiber and antifreeze, as well as polyethylene and polypropylene plastics, used to create a wide variety of items from car casings to single-use plastic bags.² [98% of single-use plastics are made from fossil fuels](#), driving the climate crisis and polluting communities for throw-away goods.³ Furthermore, Formosa Plastics has a track record of legal violations and willful pollution – from [dumping mercury-laced waste in Cambodia](#)⁴ to [poisoning fish in Vietnam](#)⁵ to [releasing plastic pellets into the Texas Gulf](#)⁶ – as well as [deadly explosions](#).⁷ Big banks like JP Morgan Chase, Wells Fargo, Bank of America, and others are all considering financing the “Sunshine Project” that would increase local pollution [by 800 tons yearly](#),²³ increase greenhouse gas emissions [by 13.6 million tons yearly](#),⁸ and [destroy the burial grounds](#) of enslaved ancestors of the current population of St. James Parish.⁹ Not only are these private financial institutions potentially enabling this irresponsible company, so is the Louisiana state government. The state is [subsidizing the project](#), like it unfortunately does with the many other polluting industrial facilities in the region.¹⁰

The residents of St. James Parish know that the risks of the “Sunshine Project” are unacceptable to their community and have been successfully fighting back against its construction for more than four years. RISE St. James ([risestjames.org](#)), founded in 2018 by retired special education teacher Sharon Lavigne who has since won several awards for her environmental work including the [Goldman Environmental Prize](#), is at the heart of the resistance demanding a stop to Formosa’s toxic intrusion.²⁷ Friends of the Earth has joined a coalition of organizations working to support and amplify the work of RISE St. James. So far, the project has been met with delays and roadblocks, in no small part because of the strong and strategic resistance the fenceline community of St. James. Friends of the Earth’s campaign focuses on the potential financing of the “Sunshine Project”, joining a broad coalition of activists pushing for a full and permanent stop to the complex by engaging with banks, insurers and shareholders to divest from and defund Formosa Plastics.

Formosa Plastics Finance

Several international banks are financing the Formosa Plastics “Sunshine Project”, most notably [Fubon Financial Holdings](#) of Taiwan.¹¹ Here in the U.S., JP Morgan Chase, Wells Fargo, and Bank of America all hold shares in Formosa Plastics. [Banks, shareholders, and insurers need to denounce environmental racism and the “Sunshine Project”, commit to not financing, investing in, or insuring the project, and cut all ties with Formosa Plastics Corporation and related entities](#).¹² The [fossil fuel divestment](#) movement is growing,¹³ and the importance of [Environmental, Social and Governance](#) investment considerations are coming to the forefront.¹⁴ Plastic production and petrochemicals are a key part of the fossil fuel supply chain that cannot be forgotten amidst financial sector commitments to cut ties with coal, oil, and gas production.

Environmental Racism

[Environmental racism](#) is a form of structural racism where policies and practices affecting communities of color result in lower environmental quality, increased exposure to toxic pollution, and less access to natural areas.¹⁵ For example, from the 1930s until 1968, the Home Owners Loan Corporation practiced “redlining”, refusing mortgages to applicants based on the racial makeup of their neighborhood.¹⁶ Redlining entrenched poverty in communities of color and left them vulnerable to heavy industry, helping to create areas like St. James Parish, Louisiana and the surrounding [“Cancer Alley”](#) or “Death Alley”, an area spanning from Baton Rouge to New Orleans along the Mississippi River housing over 200 industrial plants.¹⁷ The neighborhoods along this corridor, many predominantly low wealth and Black, are exposed to over 5 tons of toxic air pollution yearly and experience cancer risk rates in the highest 5% of the United States.¹⁷ The legacy of financiers’ racist policies puts a fine point on the need for financial institutions to divest from further harming the communities they helped to make vulnerable in the first place.

Corporate Welfare

Not only are Louisiana residents poisoned by industrial emissions, but they also don't reap the financial rewards. The state of Louisiana's [Industrial Tax Exemption Program \(ITEP\)](#) exempts manufacturers from 10 years of local property taxes for "eligible projects".¹⁸ From 2008-2020, Louisiana subsidized corporations at the expense of their communities by about [\\$17 billion](#).¹⁸ In St. James Parish

alone, there were 114 projects as of 2016 under ITEP, representing [\\$182 million](#) in foregone revenue between 2011-2016.¹⁸ Though improved through [2016 revisions](#) to include job creation mandates, local government oversight, and a maximum exemption of 80% following a campaign by the coalition Together Louisiana, ITEP continues to prop up heavy industry. These subsidies take needed funds away from public goods, including schools, road improvements, and other community benefits.¹⁹

Timeline

APR 2018

Louisiana Governor John Bel Edwards and Formosa Plastics executive Keh-Yen Lin announce the "Sunshine Project", an initially projected \$9.4 billion complex spanning 2,400 acres in St. James Parish, Louisiana.²⁰

JUL 2018

Louisiana Department of Archeology informs Formosa Plastics of two possible burial grounds of enslaved ancestors on their proposed site.²¹

OCT 2018

Sharon Lavigne, St. James Parish resident and retired special education teacher, founds faith-based RISE St. James fight for environmental justice in St. James Parish, Louisiana.

DEC 2019

The Center for Constitutional Rights, on behalf of RISE St. James submits a request to the St. James Parish Council to revoke land use permits based on Formosa's failure to inform the Council of the gravesites.²¹

JAN 2020

LDEQ approves 14 air permits despite 15,500 public comments in opposition. Earthjustice, representing RISE St. James and others, as well as the Tulane Environmental Law Center, representing St. James resident Beverly Alexander, appeal the decision.²²

JAN 2020

The Center for Biological Diversity, RISE St. James, Healthy Gulf, and the Louisiana Bucket Brigade sue the US Army Corps of Engineers over permits issued to the "Sunshine Project".²²

MAR 2020

The Center for Constitutional Rights, on behalf of RISE St. James, sends a report prepared by research group Coastal Environments Inc. to the St. James Parish Council detailing evidence of five more burial sites on the "Sunshine Project" grounds.²³

NOV 2020

The US Army Corps of Engineers suspends Formosa's permit. Citing the pandemic, Formosa indefinitely delays the Final Investment Decision, halting construction of the "Sunshine Project".²⁴

MAR 2021

The Institute for Energy Economics and Financial Analysis releases the report, *Formosa's Louisiana Project: Wrong Products, Wrong Time, Wrong Place, Wrong Finances*.²⁵

APR 2021

Sharon Lavigne writes a letter endorsed by 175 organizations, including Friends of the Earth, to 30 banks and financiers demanding divestment from Formosa Plastics and the "Sunshine Project".¹²

JUN 2021

Sharon Lavigne wins the Goldman Environmental Prize for her leadership in environmental justice campaigning, including stopping the Wanhua plastics manufacturing plant slated for St. James Parish in September 2019.²⁶

AUG 2021

The US Army Corps of Engineers orders a full Environmental Impact Statement for the "Sunshine Project", a process that will take several years to complete.²⁷

OCT 2021

The Center for International Environmental Law publishes the report, *Formosa Plastics Group: A serial offender of environmental and human rights*.²⁸

MAY 2022

Sharon Lavigne wins the Laetaere Medal, the highest honor awarded Catholics in the U.S.²⁹

SEP 2022

Louisiana's 19th Judicial District Court vacates the necessary air permits that had previously been issued based on pollution and environmental justice grounds. The permits would have allowed 800 tons of pollution into the St. James community.²² The proposed natural gas-fed [South Louisiana Methanol](#) petrochemical plant in St. James is cancelled after a decade of community-led activism.³⁰

NOV 2022

RISE St. James wins lawsuit affirming the right to free assembly and protests in St. James Parish.³¹

Endnotes

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