

Stolt-Nielsen agrees to pay \$290m settlement over fatal MSC Flaminia incident

Bojan Lepic

May 22, 2024



MSC Flaminia

It took a long time, but the stretched-out legal case over the lethal *MSC Flaminia* incident has ended in a \$290m settlement.

The incident took place on July 14, 2012, during which a fire broke out in cargo hold number four during the containership's crossing of the Atlantic Ocean on its way

from Charleston, US, to Antwerp, Belgium. An explosion occurred during the crew's attempt to extinguish the fire. It had around carrying 6,500 teu of cargo onboard at the time.

Stolt Tank Containers had 29 tank containers onboard the ship, three of which were stowed in cargo hold number 4. It was alleged that these tank containers were the cause of the fire and that Stolt Tank Containers did not adequately warn of the inherently dangerous nature of the cargo.

The explosion was caused by the auto-polymerisation of the contents of one or more of three tank containers laden with a chemical known as DVB. Three crew members died while the remaining 20 were rescued.

In July last year, a US Court of Appeals [affirmed](#) all of Stolt-Nielsen's liability from a 2018 ruling. In the court decision, Stolt Tank Containers has been found at fault together with Deltech for 45% and 55%, respectively. After last July's court proceedings, the amount expected to be paid by Stolt-Nielsen was initially reported to be around \$155m.

The Stolt-Nielsen Group has now agreed to settle the case and pay up to \$290m in compensation, acknowledging partial responsibility for the accident.

The ship was salvaged and repaired after the incident at enormous cost to its owners, Conti. The owners claimed that the ship was under hire to MSC throughout the period while the ship was out of service. The arbitrators agreed and awarded some \$200m in damages to Conti in July 2021. An [appeal](#) by MSC regarding this decision was shot down by the courts last year.