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An eye on P&I: A marine podcast from Marsh

Episode 18: Loss of the X-Press Pearl – what now?



In May 2021, the container ship X-Press Pearl suffered a catastrophic fire and sank off Colombo, Sri Lanka, resulting in significant plastic pollution.

Why is this incident important?

- This could become the largest claim ever for the International Group Pool.
- Sri Lankan Supreme Court's judgment suggests claims could exceed \$3.1 billion USD, risking an overspill (additional costs beyond normal Pool limits).
- The ship's Master has been detained for nearly five years without trial and was unrepresented in court, raising concerns about criminalisation.
- The Dali ship incident (a blackout caused a pier strike, collapse of the Francis Scott Key Bridge and six deaths) also poses a large unresolved claim (\$5 billion USD), increasing pressure on the mutual system.

Key impacts and issues

Damages methodology unclear:

USD1 billion interim award and other claims lack transparent scientific basis; hope lies with the court-established X-Press Pearl Commission for clarity.

Interim payment remains unpaid: Owners and club have not yet paid the first USD1 billion instalment as of April 2026.

Convention and precedent risk: Judgment may influence non-signatory states.

Expert independence

questioned: Court raised concerns about International Tanker Owners Pollution Federation Limited (ITOPF)'s funding, though ITOPF maintains impartial scientific advice.

Places of refuge lacking: Multiple refusals of assistance highlight gaps; International Maritime Organization guidance exists but is not legally binding.

Takeaways

Overspill claims can strain the mutual system, so they must be carefully managed using transparent, robust methods to assess environmental damage, alongside stronger international rules on crew treatment, places of refuge, and hazardous cargo.



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