

HMT launches review of Pool Reinsurance Limited

News story

The latest five-yearly review of Pool Re – the terrorism reinsurer backed by the government – has been launched today by John Glen, Economic Secretary to the Treasury.



The review is designed to ensure the UK's terrorism (re)insurance market continues to function effectively and in the public interest and will set the strategic direction for Pool Re over the coming five years.

In light of the ongoing growth and development of the terrorism reinsurance market, the review will consider whether the current public private risk share remains appropriate and whether the scheme rules that govern Pool Re should be updated.

John Glen, Economic Secretary to the Treasury, said:

Since its inception in 1993, Pool Re has played an important role in the growth of the terrorism insurance market, allowing businesses to get the cover they need. This five-year review will help us ensure that the rules, systems and risk sharing arrangements remain in the best interests of Pool Re and its members, the government and the wider economy.

In February 2020 Pool Re was classified as a central government body by the Office for National Statistics (ONS), and the review will also ensure that Pool Re is able to meet the requirements of this classification whilst continuing to operate effectively.

A call for evidence will be published later this year and the review is scheduled to conclude in Spring 2021.

Further information

- The terms of reference for the review are available [here](#).
- Pool Re was established in 1993 when a series of terrorist attacks in central London led to a lack of terrorism reinsurance cover being available on private markets. It is a mutual company, owned by its members.
- In the event of a terrorist attack on a scale that leaves Pool Re unable to compensate all policy holders, the Government has committed to extend it an unlimited loan.

Published 3 September 2020