



Pool Re launches market consultation in attempt to enhance terrorism coverage for SMEs

PRESS RELEASE – 10 March 2025

Pool Re, Britain’s government-backed terrorism reinsurer, has recently launched a market consultation to explore the reintegration of terrorism cover as a standard feature within commercial property insurance for SMEs.

Running until the end of April 2025, the consultation will collect feedback from Pool Re’s members, (re)insurance intermediaries, policyholders, industry bodies and the wider insurance market, and is designed to seek views on how best to address the protection gap and potentially significant impact on economic resilience caused by the low uptake of terrorism insurance by SMEs.

Tom Clementi, Pool Re’s CEO, commented: “Only 4% of SMEs in the UK currently have terrorism insurance cover, and many more than that will likely think they have cover. We are seeking to reduce these significant protection and expectation gaps, and thereby bolster the resilience of the UK economy, by offering our Members a more attractive pricing proposition in respect of their SME portfolios.

Pool Re’s new, modernised reinsurance scheme, which launches on 1 April 2025, is designed to make it far simpler and more cost effective for Members to reincorporate terrorism cover into their SME property policies as a matter of course. If this can be achieved, it would return the market to the position before Pool Re was established in 1993, when terrorism cover was a standard feature of commercial property package wordings.

The consultation we are launching today seeks views from far and wide on how best to achieve this outcome. We are reliant on market feedback to make sure that our proposals are sensible and deliver practical benefits for all, so I encourage you strongly to make your views heard.”

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The consultation is available on our website and we encourage anyone with an interest to review the details and make a submission at <https://www.poolre.co.uk/market-consultation-2025/>

Media contacts

Haggie Partners: Peter Rigby, Caroline Klein, Bec Seaton, Finlay Gardner

Tel: 020 7562 4444 / poolre@haggiepartners.com

About Pool Re

Pool Re is the insurance industry's mutual for reinsuring terrorism risk in Great Britain and an Arm's Length Body of HM Treasury (HMT). It exists to protect Britain's economy and safeguard society and livelihoods from acts of terrorism.

Pool Re offers commercial property reinsurance cover for losses caused by terrorism on an "All Risks" basis, including chemical, biological, radiological and nuclear (CBRN), damage caused by remote digital interference and non-damage business interruption. It offers a financial safety net for more than £2 trillion of assets belonging to businesses of all sizes.

Pool Re has a reserve fund built up over 30 years by investing insurers' premium contributions in preparation for the unthinkable. Pool Re is also backed by an unlimited HMT loan facility which underpins its work to support the resilience of the British economy.

For more information, visit www.poolre.co.uk