

ABOUT THIS REPORT

The Terrorism Threat and Mitigation Report provides an overview of significant acts of terrorism during the year as well as identifying key trends and themes that we believe are relevant to the terrorism (re)insurance market.

Our methodology is based on the TRAC Terrorism Database, analysis of the wide range of publicly available open source material and collaboration with subject matter experts.

Pool Re, through TRAC, has now compiled its own data set of terrorist attacks worldwide since 2014, when Daesh announced the establishment of the so-called Caliphate. In this edition, we also analyse the frequency and severity of global terrorism over this period.

We hope that this qualitative and quantitative analysis of terrorist incidents, trends and themes will be helpful for our Members and other stakeholders as they seek a greater understanding on the frequency and severity of terrorist events and how the evolving threat impacts on their particular area of activity. Pool Re will be utilising the data derived from the TRAC Database and other sources in our actuarial and modelling processes.

In this edition, we have focused on key terrorism events and trends in 2018.

GUEST WRITERS

We are privileged that the following guest writers have contributed their time and expertise to this report:



Sir David Omand GCB

Sir David Omand was the first UK Security and Intelligence Coordinator, responsible to the Prime Minister for the professional health of the intelligence community, national counter-terrorism strategy and 'homeland security'. He served for seven years on the Joint Intelligence Committee. He was Permanent Secretary of the Home Office from 1997 to 2000, and before that Director of GCHQ.



Ali Soufan

Ali Soufan is the Chief Executive Officer of The Soufan Group. Mr Soufan is a former FBI Supervisory Special Agent who investigated and supervised highly sensitive and complex international terrorism cases, including the East Africa Embassy Bombings, the attack on the USS Cole, and the events surrounding 9/11.



Conrad Prince CB

Conrad Prince served as the Director General for Operations and Deputy Director of GCHQ from 2008 to 2015. In those roles he led GCHQ's intelligence operations and oversaw the development of the UK's national offensive cyber capability. From 2015 to 2018 he was the UK's first Cyber Security Ambassador, leading cyber security capacity building work with a number of key UK allies. He retired after 28 years of Government service in January 2018, and now holds a range of advisory roles in cyber and security.



William Farmer

William Farmer is 'Strategic Head of Crisis Management & Special Risks' at AXA XL. William has worked in the London insurance market since 1986. Firstly as an aviation broker and then becoming a specialist in War, Terrorism and Political Risk. From 2002, in the aftermath of 9-11 his focus was terrorism insurance and reinsurance. William joined Catlin as a terrorism underwriter in 2007.



Dr Andrew Glazzard

Dr Andrew Glazzard is a Senior Research Fellow and Director of the National Security and Resilience Studies research group at RUSI.

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PURPOSE

The purpose of this report is to inform Pool Re Members and wider stakeholders of the current and future terrorism threat and its implications for the resilience of UK businesses and, by extension, the UK's economy. Pool Re was created 25 years ago to protect society from the economic consequences of terrorism. The landscape 25 years on is far more complex and diffuse, principally because in 1993 there was one main threat actor, militant republicans in the form of the Irish Republican Army (IRA), targeting the UK; now there is a wider spectrum of terrorist entities, using a broad range of methodologies, targeting our citizens, assets and economies. We hope that this annual report will go some way in providing further clarity and knowledge for our Members and other stakeholders.

Further information about Pool Re can be found on our website at www.poolre.co.uk or by following us on LinkedIn.

METHODOLOGY

TRAC's methodology is based on analysis of a wide range of publicly available open source material, and collaboration with subject matter experts. The information contained in this report has been verified and corroborated through extensive research drawn from academia, think tanks, social media, security, intelligence and risk conferences as well as extensive subscription-based content. The sum of this provides Pool Re with a unique perspective within the terrorism reinsurance market.

All assessments are made in relation to the threat posed to the UK and are tailored principally to the (re)insurance sector; but it is hoped these assessments are also of use to the wider business community. In order to fully understand the threat to the UK, TRAC gathers information from wider global terrorism threats and incidents that could pose a threat to the UK mainland. TRAC produces quarterly Frequency Reports and Post Incident Reports.

ABOUT POOL RE

Pool Re is the UK's terrorism reinsurance pool, providing effective protection for the UK economy and underwriting over £2 trillion of exposure to terrorism risk in commercial property across the UK mainland. Through its Terrorism Research and Analysis Centre (TRAC), Pool Re aims to improve the risk awareness of current and emerging terrorism perils for Members and other key stakeholders by highlighting the availability of terrorism cover for all UK mainland Commercial Insurance customers.

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