

INSURANCE COMPANIES TO BEGIN OFFERING POLICIES FOR AUTONOMOUS VEHICLES IN SEPTEMBER

The FSC announced on September 17 that twelve insurance companies will begin to offer policies specifically covering autonomous vehicles for commercial purposes from the end of September this year.

The establishment of the safety standards on autonomous vehicles (effective from July 2020) and the revision to the Guarantee of Automobile Accident Compensation Act (effective from October 2020) provide legal grounds for commercializing partially autonomous vehicles (level-3) from October this year.

KEY DETAILS

The newly available insurance policies for autonomous vehicles will clearly define the scope of auto accident compensation for accidents occurring while in self-driving mode. The policy will specify that Insurance companies will pay out compensation to the policyholder first and then request reimbursement from the automaker if any defects are identified.

With regard to the premium, insurance policies covering autonomous vehicles will be about 3.7 percent higher compared to the existing commercial auto insurance premiums.

EXPECTATION AND FURTHER PLAN

The newly available insurance policies for autonomous vehicles will help promote the advancement of AV technologies while eliminating blind spots in auto accident coverage. As such, the financial authorities will work for the development of insurance policies covering non-commercial autonomous vehicles as well by 2021.

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