



Mobility Legal Updates

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As the amended Motor Vehicle Management Act—encompassing measures such as the so-called ‘Battery Certification System,’ the ‘Battery History Management System,’ and the mandatory installation of event data recorders (“EDRs”) in vehicles—approaches full implementation¹, pre-announcements have been issued for subordinate regulations that provide detailed guidance. This newsletter summarizes key legislative bills, including the aforementioned amendments, as well as other major bills currently under consideration or under review by relevant committees.

¹ The amended Motor Vehicle Management Act (Act No. 19685), which mandates safety certification for key components including traction batteries and requires the inclusion of identification numbers for traction batteries, will come into effect on February 17, 2025, as stipulated in Articles 7(6), 30-7, and 30-8. Additionally, the provisions mandating the installation of event data recorders (EDRs), as outlined in Article 29-3 of the amended Motor Vehicle Management Act (Act No. 20298), will take effect on February 14, 2025.

1. Battery Certification and Battery History Management System

[Status of Additional Legislative Bills]

Regarding (i) the Battery Certification System, which requires mandatory pre-approval directly from the government for key devices and components such as vehicle traction batteries, previously managed under manufacturers' 'self-certification system' (Articles 30-7 and 30-8 of the amended Motor Vehicle Management Act (the "MVMA"), effective February 17, 2025), and (ii) the Battery History Management System, which mandates the inclusion of battery identification numbers for electric vehicles in the vehicle register to systematically manage battery history information (Article 7(6) of the amended MVMA, effective February 14, 2025), the following additional bills have recently been introduced by members of the National Assembly and referred to the Legislative Subcommittee to enhance the effectiveness of the system.

- (1) Revocation of Safety Certification for Repeated Defects** (Bill No. [5678](#), Proposed by Rep. Jinseog Moon and 12 Others): This bill requires vehicle manufacturers, parts manufacturers, and vehicle sellers to disclose information on key components incorporating new technologies to consumers. It also introduces a post-certification management measure allowing the revocation of safety certifications if the same defect occurs more than the number of times specified by Presidential Decree within two (2) years of obtaining safety certification for the component. If the bill is passed, companies will likely need to continuously monitor for battery defects even after obtaining the initial safety certification to ensure the maintenance of the certification.
- (2) Standardization and Improvement of Battery Management Systems** (Bill No. [5672](#), Proposed by Rep. Jinseog Moon and 12 Others): This bill mandates the installation of Battery Management Systems ("BMS") in vehicles and requires these systems to include functions that automatically notify vehicle owners and fire authorities in the event of detected defects. Additionally, it establishes a legal basis for financial support from the government or other entities when vehicle owners seek to enhance the performance of existing battery management systems. If this bill is passed, companies will be required to equip BMS with automatic notification services and provide continuous maintenance and upgrades to the systems, either free of charge or at reasonable prices, as requested by vehicle owners.
- (3) Safety Certification at the 'Cell' Level** (Bill No. [4942](#), Proposed by Rep. Hyangyup Kwon and 9 Others): This bill proposes that the safety performance testing of electric vehicle batteries, as required under the amended Act, be conducted at the 'cell' level rather

than at the ‘pack’ level (a collection of cells). If this bill is passed, the bill is expected to enhance the effectiveness of battery safety and certification systems. However, it will also require companies to prepare for comprehensive inspections of battery cells during the vehicle manufacturing process.

[Status of Pre-Announcements for Subordinate Regulations]

Establishment of Detailed Standards and Procedures for the Battery Safety Certification System

Enforcement Rules of the Motor Vehicle Management Act (Ministry of Land, Infrastructure, and Transport Announcement No. [2024-1498](#))

The Ministry of Land, Infrastructure, and Transport (“MOLIT”) has issued a pre-announcement for proposed amendment to the enforcement rules of the MVMA. The amendment stipulates: (i) criteria and procedures for obtaining modification certification when significant changes are made to the safety-certified content of key components, (ii) methods for indicating information on safety-certified key components, (iii) designation of testing agencies, verification of testing facilities, and criteria for conducting safety performance tests on key components, and (iv) procedures for conformity inspections related to the safety certification of key components. The announcement period is from November 11, 2024, to December 23, 2024. Based on these clarified standards and procedures, companies will be able to engage in more thorough preparation for the battery certification system.

Recording Battery Information in Certificate of Manufacture of Motor Vehicle and Vehicle Register

Motor Vehicle Registration Rules (Ministry of Land, Infrastructure, and Transport Announcement No. [2024-1496](#)); Motor Vehicle Registration Decree (Ministry of Land, Infrastructure, and Transport Announcement No. [2024-1504](#))

The MOLIT has issued pre-announcement for: (i) the amendment to the Motor Vehicle Registration Rules, which reflect matters related to key components in the scope of submission materials by introducing specification management numbers and identification numbers for traction batteries in the certificate of manufacture of motor vehicle; and (ii) the amendment to the Motor Vehicle Registration Decree, which incorporates legally required items such as traction battery identification numbers into the vehicle register format and ensures that changes to identification numbers can be reflected through modification registration. The announcement period is from November 11, 2024, to December 23, 2024.

2. Mandatory Installation of Event Data Recorders (EDRs)

[Status on Promulgation of Bills]

- (1) **Promulgation of Bill Requiring Public Availability of EDRs** (Bill No. [3337](#), Proposed by Rep. Miae Kim and 9 Others): A bill mandating vehicle manufacturers to supply EDRs to the market was proposed on August 29, 2024, passed the plenary session of the National Assembly on November 14, 2024, and was promulgated on December 3, 2024, with an effective date of December 4, 2025.

This legislation is expected to allow drivers and other parties to directly access crash-related records without going through the vehicle manufacturers. This not only clarifies the determination of liability in accidents but also helps companies reduce unnecessary consumer disputes.

- (2) **Promulgation of Bill for Insurance Premium Discounts for Installing Pedal Black Boxes and Similar Devices** (Bill No. [1804](#), Proposed by Rep. Jong-kun Yoon and 19 Others): An amendment to the Compulsory Motor Vehicle Liability Security Act, allowing the Minister of Land, Infrastructure, and Transport to recommend insurance companies to expand premium discounts for vehicles equipped with pedal black boxes and similar devices, was proposed on July 16, 2024, passed the plenary session of the National Assembly on November 14, 2024, and promulgated on December 3, 2024, with an effective date of June 4, 2025. This legislation is expected to encourage the development of insurance products offering reduced premiums for vehicles equipped with devices that aid in determining the causes of accidents, such as pedal black boxes. However, unlike regular black boxes, pedal black boxes are considered unlikely to receive high discount rates, as they have limited utility in reducing accidents or disputes apart from determining cases of sudden unintended acceleration, and there are virtually no cases where sudden unintended acceleration has been officially recognized.

[Status of Pre-Announcements for Subordinate Regulations]

Criteria for Vehicle Types Required to Install EDRs

Administrative Rules of the Performance and Standards of Motor Vehicles and Motor Vehicle Parts (Ministry of Land, Infrastructure, and Transport Announcement No. [2024-1526](#))

The MOLIT has issued a pre-announcement for amendment to the administrative rules, mandating the installation of EDRs in passenger vehicles, as well as vehicles for passengers

and freight and trucks with a gross vehicle weight of 3.85 tons or less. The proposed amendment also sets error standards for the overestimation of driving range on a single charge for electric vehicles. The announcement period is from November 14, 2024, to January 13, 2025.

Provision Methods and Preparation Standards for EDR Result Reports

Enforcement Rules of the Motor Vehicle Management Act (Ministry of Land, Infrastructure, and Transport Announcement No. [2024-1527](#))

The MOLIT has issued a pre-announcement for amendment to the enforcement rules, detailing the methods for providing and the standards for preparing result reports from EDRs. The announcement period is from November 14, 2024, to December 24, 2024. Vehicle manufacturers and sellers are required to prepare result reports in accordance with these standards and provide them to vehicle owners. However, for vehicles that are manufactured, assembled, or imported and sold as of the implementation of the amended rules, the new standards will apply starting two (2) years after the effective date of the amended rules.

3. Status of Bill Review by the Legislative Subcommittee of the Standing Committee

Designation of Safety Managers by Passenger and Freight Transport Operators to Facilitate Commercialization of Autonomous Vehicles

Bill for Partial Amendment to the Act on the Promotion of and Support for Commercialization of Autonomous Vehicles (Bill No. [4169](#), Proposed by Rep. Youngse Kwon and 9 Others, Under Review by the Legislative Subcommittee)

In the current passenger and freight transportation industries, obligations such as vehicle safety management and transport service management are based on the assumption of a driver being present in the vehicle. This has posed challenges in utilizing autonomous vehicles for transportation operations. To address this, a bill was introduced to the Land, Infrastructure, and Transport Committee on November 13, 2024, proposing that passenger and freight transport operators designate safety managers when using autonomous vehicles. These safety managers would be required to adapt and comply with the duties of transport operators as stipulated under the Passenger Transport Service Act and the Trucking Transport Service Act, aligning them with the characteristics of autonomous vehicles. The bill underwent clause-by-clause review in the Legislative Subcommittee on December 3, 2024.

If the bill is passed, it is anticipated that the adoption of autonomous vehicles in the passenger and freight transportation industries will increase significantly.

Conversion of Penal Provisions for Vehicle manufacturers to Penalty Surcharges

Bill for Partial Amendment to the Clean Air Conservation Act (Bill No. [3994](#), Proposed by Rep. Ji-yeon Cho and 11 Others)

Under the current law, motor vehicle manufacturers are required to offset any excess emissions beyond the permissible average annual pollutant emission levels for vehicles released each year within three (3) years. Non-compliance with this offset obligation is punishable by imprisonment for up to seven (7) years or a fine of up to 100 million Korean Won. However, due to concerns that criminal penalties for non-compliance with offset orders may be excessive, a bill was introduced to the Environment and Labor Committee on November 21, 2024, proposing to replace such penalties with penalty surcharges. The bill has been referred to the Legislative Subcommittee for review. If the bill is passed, this legislation is expected to reduce the legal risks faced by motor vehicle manufacturers and contribute to revitalizing business operations.

4. Other Legislative Proposals

Introduction of Periodic Inspection System for Commercial Large Vehicles

Bill for Partial Amendment to the Motor Vehicle Management Act (Bill No. [6264](#), Proposed by Rep. Jaeok Yun and 10 Others)

Due to rising societal concerns over incidents, such as a recent case where a wheel detached from a large commercial freight vehicle on the highway, collided with nearby vehicles, and caused casualties, there has been a call to strengthen safety inspections for large commercial vehicles. In response, a bill was introduced on December 5, 2024, proposing the implementation of a regular inspection system. This system would include dismantling and inspecting key components of large commercial vehicles to assess their internal maintenance conditions. If the bill is passed, companies will need to prepare for separate regular inspection procedures for large commercial vehicles in compliance with the inspection standards that will be established in the future.

Enhancing the Justification for Imposing Penalty Surcharges for Emission Certification Violations

Bill for Partial Amendment to the Clean Air Conservation Act (Bill No. [5348](#), Proposed by Rep. Leeja Lim and 10 Others)

In the past, the upper limit for penalty surcharges for emission certification violations was raised approximately 50-fold, from 1 billion Korean Won to 50 billion Korean Won. However, an amendment was proposed on November 7, 2024, to allow for the reduction of the upper limit of penalty surcharges to ensure they are reasonably imposed in proportion to the specific degree and justification of the violation. The amendment also provides for the reduction of penalty surcharges based on factors such as voluntary reporting of violations and cooperation during investigations. If this amendment is passed, it is expected to improve the previously unreasonable penalty surcharge imposition system and reduce the legal risks faced by companies.

LIN has extensive experience in providing advisory and litigation services within the mobility industry, particularly in areas such as administrative regulations and patents and trade secret disputes related to motor vehicles. Our Mobility Team features attorneys and experts with a distinctive interest and passion for motor vehicles.

Should you wish to learn more about this newsletter or have any other inquiries, please do not hesitate to contact our firm's **Mobility Team**:

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