

# Mobility Legal Updates (2)

January 2, 2026

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LIN's Mobility Team monitors legal and regulatory trends in the automotive industry and periodically sends newsletters to our clients.

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Through this newsletter, LIN LLC's Mobility Team introduces the significance of the specific measures announced by the government on November 26, 2025, to secure competitiveness of the autonomous vehicle industry through a comparative analysis with the current legal framework.

## **Plans to Enhance Competitiveness of the Autonomous Vehicle Industry: R&D Support, Refinement of Systems and Infrastructure**

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Plans to improve the autonomous vehicle system, including expansion of demonstration scale, regulatory streamlining, and refinement of systems/infrastructure

Following Newsletter (1) on the "Plans to Enhance Competitiveness of the Autonomous Vehicle Industry" announced by the government on November 26, 2025, this edition focuses on the R&D support and the refinement of systems and infrastructure outlined therein.

### **1. R&D Support**

The government unveiled a plan to expand R&D support for autonomous vehicle technology and production. The support plan consists of five key initiatives:

- **GPU Supply:** Supporting R&D for autonomous driving companies by securing/providing dedicated GPUs and establishing AI training centers
- **Support for Technology Development:** Supporting the development of End-to-End (E2E)<sup>1</sup> technology, where AI autonomously makes decisions and controls the vehicle based on learned data
- **Support for the Supply Chain of Core Components:** Supporting the establishment of a domestic production network by developing specialized chassis platforms and semiconductors and other core components for autonomous vehicles
- **Promoting International Collaboration:** Streamlining the export review process for national core technologies to facilitate joint international research
- **Support for Talent Cultivation:** Expanding and allocating student quotas for universities and graduate schools seeking to foster talent in advanced fields such as autonomous driving, in order to increase the supply of technology development personnel

The measure to supply GPUs appears to be based on the government's plan (announced in October 2025) to secure approximately 260,000 GPUs from NVIDIA.

From a legal perspective, the support for promoting international collaboration is particularly noteworthy. Under the current Act on Prevention of Divulgence and Protection of Industrial Technology, any entity possessing national core technology developed with government R&D funding (such as corporations, research institutes, specialized agencies, or universities) must obtain prior approval from the Minister of Trade, Industry and Energy before exporting such technology to a foreign company via sale or transfer (Article 11). The government's latest initiative is understood as an intention to streamline the review process for such approvals when technology transfer is necessary for joint international research.

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<sup>1</sup> A method in which a single machine learning model directly maps the entire process of an autonomous driving system, from sensor inputs (such as cameras and LiDAR, etc.) to vehicle control outputs (steering, acceleration, and braking)

## **2. Refinement of Systems and Infrastructure**

### **A. Refinement of the Road Traffic Act and Related Laws**

Under the current Road Traffic Act, the ‘driver’ is designated as the party responsible for accidents, etc. Unless special circumstances exist, the ‘driver’ bears responsibility for road traffic matters.

However, this framework makes it difficult to determine the responsible party in accidents involving advanced autonomous vehicles, which operate without a human driver or require no human intervention. This is because, while an accident has occurred, it can be viewed that there is effectively no driver to bear responsibility.

Accordingly, the government announced that it will pursue the enactment of the Autonomous Vehicle Road Operation Act and amendments to the Road Traffic Act to clarify the subjects of criminal and administrative sanctions for driverless Level 4+ vehicles. Furthermore, the government intends to establish standards for civil liability in autonomous vehicle accidents.

### **B. Amendment to the Product Liability Act**

Under Article 3, Paragraph 1 of the Product Liability Act, manufacturers are liable for damages to life, body, or property (excluding damages sustained only by the product itself) caused by a defect in a product.

Currently, under Article 3-2, it is presumed that the product was defective at the time of supply and that such defect caused the damage if a victim proves certain indirect facts, such as: i) the fact that the damage occurred while the product was being used normally; ii) the fact that the damage resulted from a cause within the manufacturer's substantial area of control; and iii) the fact that the damage would not ordinarily occur without a defect in the product.

However, proving these indirect facts remains a significant challenge for victims. In particular, there is ongoing and extensive discussion regarding how to prove a ‘cause within the manufacturer’s substantial area of control.’ In the context of autonomous vehicles, it is highly likely that victims will fail to prove this, given the technical limitations that even developers

cannot intervene in the intermediate stages of machine learning.

To address this, the government announced it will pursue a legal amendment to allow for the presumption of a defect even without proving the indirect fact of ii) (specifically, by pursuing the deletion of Article 3-2, Item 2 of the Product Liability Act). Additionally, the government plans to introduce a court-ordered document production system for manufacturers. This is expected to be implemented by adding specific provisions to the Product Liability Act, imposing a stronger obligation on manufacturers to disclose data compared to the existing civil evidence production system.

### **3. Implications**

As discussed above, the government's "Plans to Enhance Competitiveness of the Autonomous Vehicle Industry" seek to provide diverse support to businesses while simultaneously strengthening accountability by establishing legal grounds for manufacturers' liability and easing the burden of proof for victims regarding defects.

The government intends to push forward with these plans through 2026. Therefore, it is essential to closely monitor the enactment and amendment of related legislation.

LIN LLC's Mobility Team will continue to monitor and analyze these legislative developments to provide helpful information to our clients.

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

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

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Tae-Jun Bae    [tjbae@law-lin.com](mailto:tjbae@law-lin.com), +82 10 8237 8123

Min-Gu Kang    [mgekang@law-lin.com](mailto:mgekang@law-lin.com), +82 10 3907 9217

Ho-Yeon Kim    [hykim@law-lin.com](mailto:hykim@law-lin.com), +82 2 3477 6300

Jeong-Pil Oh    [jpoh@law-lin.com](mailto:jpoh@law-lin.com), +82 2 3477 8695