



# Mobility Legal Updates

February 20, 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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Discussions regarding the establishment of performance evaluation and remanufacturing safety management systems for end-of-life electric vehicle (EV) batteries are underway. Simultaneously, deliberations have begun in earnest to overhaul the system to designate autonomous driving test beds aimed at accelerating the commercialization of self-driving technology. Relevant business entities are advised to preemptively re-examine their business models and internal compliance frameworks.

In this newsletter, LIN Mobility Team introduces key legislative trends from January 2026: △ the passage of the Bill for Partial Amendment to the Motor Vehicle Management Act (concerning the performance evaluation of end-of-life batteries and safety management of remanufactured batteries) at the plenary session of the National Assembly along with its industrial implications; △ the Bill for Partial Amendment to the Act on the Promotion of and Support for Commercialization of Autonomous Vehicles (hereinafter, the Autonomous Vehicles Act) (focusing on expanding the authority to designate test beds). Furthermore, please be advised that the latter — the Bill for Partial Amendment to the Autonomous Vehicles Act (focusing on expanding the authority to designate test beds) — has currently been referred to the competent

committee for deliberation. Accordingly, it has not yet been promulgated or enforced and remains subject to potential revisions during the legislative process.

## **Passage of the Bill (Substitute) for Partial Amendment to the Motor Vehicle Management Act (Bill No. 2215410) at the Plenary Session**

[Introduction of Performance Evaluation for End-of-Life Batteries and Establishment of Registration and Safety Inspection Systems for Remanufactured Batteries](#)

On January 29, 2026, the Plenary Session of the National Assembly passed the Bill for Partial Amendment to the Motor Vehicle Management Act as a substitute proposed by the Chair of the Land, Infrastructure and Transport Committee.

This substitute aims to establish a management system where end-of-life batteries undergo performance evaluations to be subsequently linked to remanufacturing, reuse, or recycling, while also strengthening safety management during the distribution of vehicles equipped with remanufactured batteries — a topic previously introduced in the LIN Mobility Team Newsletter dated January 12, 2026.

With the expansion of electric vehicle adoption, instances of safe disposal and reuse of end-of-life batteries are on the rise. For example, the Ministry of Climate, Energy and Environment has operated six regional collection centers — located in the Seoul Metropolitan Area and other key regions — since 2021, establishing systems for collection, residual performance evaluation, and private-sector supply of batteries from scrapped EVs. Consequently, the supply volume of end-of-life batteries has significantly increased from 162 units in 2021 to 1,021 units in 2025.

From a technical perspective, the reuse and recycling of EV batteries are expected to grow. Although the performance warranty period for EV batteries is typically 8 to 10 years, they retain substantial energy storage capacity even after this period, rendering them highly viable for recycling.

Consequently, the market for the reuse and recycling of end-of-life batteries is projected to expand rapidly. Global industry analyses indicate that the EV battery recycling market, valued at USD 1.7 billion (approx. KRW 2.5 trillion) in 2026, is expected to grow to USD 224.24 billion (approx. KRW 324 trillion) by 2040.<sup>1</sup> In line with this global trend, the domestic market for reuse and recycling of end-of-life batteries is also anticipated to expand, leading to a corresponding increase in the number of market participants.

Therefore, this substitute is highly significant as it responds to the burgeoning market by establishing the legal status of operators in the battery reuse and recycling industry (Proposed Article 35-15, Paragraph 1). It also provides specific standards applicable to the industry, including a safety inspection system for remanufactured batteries (Proposed Article 35-16) and requirements for facilities and equipment used in the storage and transportation of end-of-life batteries (Proposed Article 35-17).

## **Bill for Partial Amendment to the Autonomous Vehicles Act (Bill No. 2216193)**

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[Establishing Grounds to Expand Authority to Designate Test Beds within Cities and Provinces](#)

On January 22, 2026, the Land, Infrastructure and Transport Committee of the National Assembly referred the Bill for Partial Amendment to the Autonomous Vehicles Act (proposed by Representative Eom Tae-young and nine others) to the competent committee for deliberation.

An autonomous vehicle (AV) test bed is a designated area where regulatory exemptions are applied to facilitate research and pilot operations of AVs (Article 2, Subparagraph 5 of the Autonomous Vehicles Act). Under the current Autonomous Vehicles Act, the authority to designate such test beds is vested in the Minister of Land,

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<sup>1</sup> [https://www.rootsanalysis.com/second-life-ev-battery-market?utm\\_source=chatgpt.com](https://www.rootsanalysis.com/second-life-ev-battery-market?utm_source=chatgpt.com)

Infrastructure and Transport (Article 7). Mayors and provincial governors are only permitted to apply for such designation and do not hold the actual authority to designate these zones.

To commercialize AV operations, it is essential to first conduct research and pilot runs to ensure smooth operation and safety across diverse road environments. However, pilot runs conducted on simple tracks or in extremely restricted environments do not reflect the complexities of real-world roads. Consequently, there is a growing need for AV pilot operations conducted in various and complex real-road conditions.

In this regard, the Ministry of Land, Infrastructure and Transport announced the "Initiative for Autonomous Driving Demonstration City" on January 21, 2026,<sup>2</sup> which designates the entire Gwangju area as an AV test bed. This showcases that not only AV operators but also the central and local governments strongly acknowledge the necessity of designating AV test beds at the local government level.

However, under the current system where the authority to designate test beds is vested solely in the Minister of Land, Infrastructure and Transport, prompt designation remains challenging even with active cooperation of a specific local government and operators. This can result in delays in conducting pilot runs essential for the implementation of AV services as a business.

The proposed amendment, however, stipulates that "if a Mayor or Provincial Governor deems it necessary to designate a test bed within their jurisdiction," they may do so upon consultations with the Minister of Land, Infrastructure and Transport and the deliberation and resolution by the Local Committee on Autonomous Vehicle Test Beds to be newly established under the proposed amendment (Proposed Article 16-2)

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<sup>2</sup>

[https://biz.chosun.com/policy/policy\\_sub/2026/01/21/UJPTS4NPNZA2TJ64O6KTJ26DHM/?utm\\_source=naver&utm\\_medium=original&utm\\_campaign=biz](https://biz.chosun.com/policy/policy_sub/2026/01/21/UJPTS4NPNZA2TJ64O6KTJ26DHM/?utm_source=naver&utm_medium=original&utm_campaign=biz)

(Proposed Article 7, Paragraph 4). According to this bill for partial amendment, operators can pursue plans to secure test bed designations more expeditiously by establishing active cooperative relationships with local governments that hold the designation authority.

As such, although this proposed partial amendment is yet a bill pending deliberation at the competent committee, it is highly noteworthy as it provides a legal basis to resolve the aforementioned constraints. Should the bill pass the Plenary Session without substantive changes, operators requiring test bed designations for research, pilot runs, and demonstrations of AVs are expected to be able to engage in expedited consultations with Mayors or Provincial Governors, not the Minister of Land, Infrastructure and Transport.

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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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