

# QUESTIONNAIRE FOR AIDA WORLD CONGRESS, RIO, 2018

## New Technologies

(Autonomous Vehicles and Robots- Cyber Risks- New Technologies and Insurance Process)

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### I. DRIVERLESS/AUTONOMOUS VEHICLES AND VESSELS

1 Are there any specific laws already adopted in your jurisdiction, or proposals for laws, relating to liability in tort for injuries inflicted by the use of such vehicles or vessels? If so, please provide a short explanation.

**Comment:** answers may include the liability of drivers, producers of vehicles and the suppliers of satellite technology.

There is currently no law, law bills nor jurisprudence about the matter.

2. Are there any specific laws already adopted in your jurisdiction, or proposals for laws, relating to compulsory insurance coverage for injuries inflicted by the use of such vehicles or vessels? If so, please provide a short explanation.

**Comment:** answers may relate to motor vehicle insurance and product liability insurance.

There is no specific law for the use of such vehicle. However, all vehicles in Chile must have a compulsory liability insurance.

3. How do you envisage the future of personal lines in motor vehicle insurance in the next 5-10 years in your jurisdiction?

**Comment:** you may wish to comment on the future of motor vehicle insurance and the plans being made by the industry for new products

Our country, not being a developer of such technology will most probably adapt the developments made abroad with regards to such matter.

4. Driverless cars and autonomous vehicles apart, how do you assess the following technological developments that are expected to not only reshape the auto sector but also the insurance industry around it?

- (a) connected cars (i.e., Internet enabled vehicles, (IEV));
- (b) automated driver assistance systems (ADAS);
- (c) car/ride sharing;
- (d) alternative fuel vehicles.

**Comment:** answers may include identifying the legal and regulatory regime and provisions in your jurisdiction.

- (a) connected cars (i.e., Internet enabled vehicles, (IEV))

We believe that this matter will have a high impact in already enacted laws and regulations such as data protection, cyber risks and even criminal liability. All these matters shall be assessed in advance. We also expect, if the technology is properly implemented, insurance prices to decrease given lower accident rates.

- (b) automated driver assistance systems (ADAS);

Liability will surely be an issue, together with the role/responsibility of the driver vs the one from the manufacturer.

- (c) car/ride sharing;

This will surely present an issue, in connection with what was mentioned above, with regards to the car owner's liability. In Chile, under regular legislation, the owner of a car is joint and severally responsible of all damages caused by it. If car sharing is to be implemented, this should be revisited, especially if a car has no driver whatsoever.

- (d) alternative fuel vehicles.

The rise of cleaner fuels may have impact in global health and a decrease in health risks. Environmental insurances may also be impacted accordingly.

## II. CYBER RISKS

5. Identify the concerns have emerged in your jurisdiction as a result of cyber risks. Is there any legislation in place or under consideration that might affect such risks?

**Comment:** possible matters include cyber-terrorism, hacking, computer or software failure and financial fraud.

Chilean legislation assessed this matter firstly in the year 1993, by the enactment of law over information crimes which sanctions informational sabotage and espionage. The law has been criticized for not describing what ought to be understood as “wrongful access,” not distinguishing between the “value” of the data affected, among other reasons.

In order to face these failures, the Country has recently joined (in April 2017) the Convention on Cybercrime of the European Council. Accordingly an overhauling of this legislation, pursuant to the Convention is expected shortly.

6. How has the insurance industry responded to cyber risks? In particular:

(a) do property policies cover losses from cyber risks, or is special insurance required?

No. Given the above, new policies have been developed and are starting to be offered in the market as an independent product. But this does not imply that in the future property policies could consider this risks in their coverages.

(b) is insurance and reinsurance readily available?

Although it is a market currently under development, some companies have included these products in their portfolio and are offering it within the market.

(d) are there any special restrictions imposed on cyber risks, e.g. event limits or deductibles?

Being a new scenario and product, companies have tend to be cautious and generally require deductibles and establish limits.

## III. NEW TECHNOLOGIES AND THE INSURANCE PROCESS

7. To what extent have the availability of new technologies affected the way in which insurance policies are placed? In particular:

(a) has there been any effect on the traditional use of agents and brokers?

No. However, agents and brokers are starting to make use of these new technologies to reach their customers and to facilitate claim handling.

(b) has the underwriting process been affected by the availability of information, particularly big data, from sources other than the applicant for insurance?

Yes. Companies have been implementing big data analysis and the use of complex matrix in order to gather further information and properly assess risks.

(c) has the means of providing information to policyholders changed significantly, e.g. are written documents provided or are policyholders directed to websites?

Yes. Although written documents are still provided and in use, the possibility of contracting an automatic and customized web policy is widely available, and wordings are send to the assured personal mail.

8. To what extent is genetic testing regarded as important by life and accident insurers? Is there any legislation in place or in contemplation restricting requests for genetic information, and are there any relevant rules on privacy that preclude its disclosure?

Genetic testing is not an issue in Chile for insurers. Genetic testing is ruled by law 20.120, which forbids any form of discrimination based on genetics, prohibits human cloning and the destruction of human embryos in order to gather stem cells, among others. It also establishes the principle of consent for investigations and that no investigation may carry out if it there is data which implies the existence of risk of destruction, death or serious injury for a human being. As for privacy, the law establishes that genetic data is subject to data protection rules and that genetic information which allows the identification of a person must be encrypted.

As for genetic information legislation, Chile considers a genetic bank for the purposes of criminal investigations under the custody of Chile's Civil Registry.

9. Has the assessment of claims been affected by the availability of data. In particular, are there any industry-wide arrangements in place whereby insurers can share information on fraud?

The insurers associations has a department in charge of this matters. It investigates fraud situations and shares the results of such investigation with the affected insurers and tracks suspicious activities.

10. Are there any other ways in which the new technologies have affected the insurance process in your jurisdiction?

New technologies have simplified the whole insurance process. It has facilitated contracting by the issuance of policies, inspections, claims, liquidations, redress, etc. are all carried out by electronic means. It has also fostered the side market of assistances by the use of apps.

#### **IV. OTHER NEW TECHNOLOGY RISKS**

11. Are there any other particular risks from new the new technologies that have been identified in your jurisdiction? If so, is there any legislation in place or under consideration to regulate them?

Although is not necessarily a new risk, Chile Data Protection legislation is outdated and a new law may is expected in the medium term. In general it will adapt to European standards and create an independent enforcement authority. This should trigger the need of new insurance products.