

A new EU law aims to make data from connected vehicles usable – for the benefit of vehicle owners, to improve road safety and to enable sustainable digital innovation.

The EU Data Act was the main topic at the 11th Allianz Motor Day on October 17, 2023. Experts discussed the new regulation at the Allianz Center for Technology (AZT) in Ismaning.

Vehicle data, used wisely, makes the transport system safer, cleaner, smarter

Allianz's assessment was clear: "We welcome the EU Data Act," said Klaus-Peter Röhler, Member of the Board of Management of Allianz SE. "The new law stands for innovation and competition – it is a European initiative to strengthen the European digital economy. The new EU regulation follows a convincing principle: 'My device, my data' – we support this idea." Users of a connected car, according to the new legislation, will in future be able to demand from the manufacturer that the data collected in the vehicle be transferred to third parties. For "easily accessible data," the EU Data Act even requires the data to be made available in real time.

This, Röhler said, could lead to real innovations: "We want to convince our customers in car insurance, through attractive offers, to share their data with us. The EU Data Act would also give other companies and start-ups the chance to become inventive. Using millions of live camera and position data from vehicles could solve the parking-space problem in inner cities. This would not only be a win for drivers, it would also save significant amounts of energy, help climate protection and improve air quality. If vehicle data is used wisely, it has the potential to make our transportation system safer, cleaner and smarter overall."

How the EU Data Act could change car insurance

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Klaus-Peter Röhler

Member of the Board of Management of Allianz SE

With detailed data from the vehicle, completely new insurance offers can be provided and new services made available in the future. "In case of an accident, it would be possible to automatically record the extent of the damage in real time by evaluating position data and data from crash sensors. Allianz could immediately inform a towing service, reserve a rental car, order suitable spare parts and make a workshop appointment for our customer. In the case of serious accidents, medical assistance could be provided," Röhler said.

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Röhler also pointed out that by using car data, Allianz can offer the fairest possible price to every customer. "We can calculate insurance offers that are significantly more risk-adjusted, taking into account both the driving style and whether the vehicle is equipped with safety systems and whether those are switched on or off. At the same time, the sensor and camera data can be used for the proper, correct and fair investigation of an accident and for liability clarification," Röhler said.

Data sent directly from the vehicle will take on special significance when autonomous and AI-supported systems control the vehicle in the future. "Those affected – as well as society – have a right to know whether the human or the machine caused the accident," Röhler said.

A recent Allianz survey conducted in five European countries shows that a majority of car drivers are willing to share their car data with their insurer if they receive comprehensive service support in return: in Germany it's 53 percent, in Great Britain even 61 percent. "This is a very important message for us, which we can be proud of: our customers know that they can trust us, because we will handle their data with care and in their own best interest," Röhler said, commenting on the survey results.

True competition can exist only with fair prices

Discussions at the 11th Allianz Motor Day also revolved around the question of how third parties can access in-car data in practice. The EU Data Act stipulates that "easily accessible data" must be transmitted in real time – but what data is that? And what price may the car manufacturer charge for transmitting the data to third parties? "Real competition can only emerge if vehicle manufacturers demand fair prices. Otherwise, third parties have no chance to innovate," Röhler said.

Legal framework for data transfer is missing

But what should an individual customer do with the data of their vehicle? And above all, how should they access the data and pass it on? This can only work if there is a very simple way for the individual to transfer the data in practice. "The EU Data Protection Act only creates the legal basis for the transfer of data from the vehicle to third parties. However, the legal framework is still missing that specifies in which technical way the data

from the vehicle can be made usable for all market participants,” Röhler said. “Legislators must find a practicable solution for this as quickly as possible, otherwise the treasure trove of data cannot be mined for the benefit of customers and of all participants.”