# INTERNATIONAL TRENDS REPORT

# WORLD CAR RENTAL GUIDE 2018

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A comprehensive guide for renting cars around the world



#### A GUIDE FOR RENTING CARS AROUND THE WORLD

Car rental is one of the fastest growing markets in the travel branch globally. By 2022, the number of users is expected to reach 97.2 m according to Statista. This trend is allowing tourists of all nationalities and genders to drive a rental car in almost all parts of the world, from Asia to America, Europe, Russia, Africa and Australia.

Travelling the world means discovering new cultures and opening our minds to different rules. In some cases, breaking our expectations can provide pleasant surprises. But as a tourist, one may also feel upset if those expectations aren't met.

The different laws that apply in each country are the ones to establish the **compulsory insurance**, **pricing**, **driving licence and age requirements**.

As an international car hire company based at an airport, Marbesol getS visitors from all over the world. This has encouraged our editorial team to research the differences in car rental between different countries.



#### HOW INSURANCE INFLUENCES CAR RENTAL PRICES

Understanding what coverage is needed in each country isn't always obvious when booking a car online. Car hire companies will **include** or **exclude** certain types of **insurance** depending on their national or state laws. In practice, this doesn't mean you won't need them to guarantee a safe trip.

Despite the variety of terms used to describe car hire insurance, there are certain types that apply worldwide. The main types of insurance are:

- Collision Damage Waiver (CDW), also known as Loss Damage Waiver. This protection isn't real insurance, but a waiver that limits the amount that can be charged for repairs. Before finishing your booking, remember to check the number of items that are included in this waiver. Surprisingly, CDW isn't obligatory in every country, which means you may have to buy it separately.



# - Third Party Insurance (TPI), also known as Liability Insurance.

Third party insurance covers any damages caused by the driver to third parties during the rental period. However, it does not cover damages to the actual rental car. Although it is generally compulsory - and therefore included in the price - in countries like Brazil and Chile it is not required. It is interesting to point out that some car hire companies offer so-called 'international third party insurance', which covers the driver all over the world.

- **Theft insurance (TI)**. It wavers your liability if the car is stolen or if there is some attempt to steal it. Personal belongings aren't covered by it.
- Glass and Windscreen Coverage. Certain companies offer to cover the glass and windscreens in case it gets cracks.

In any event, be aware that these types of insurance only apply when the car has been treated properly.



#### DO CREDIT CARDS OFFER SUFFICIENT COVERAGE?

Some tourists are advised not to buy additional coverage, based on the belief that their credit card insurance will be enough. This would actually mean paying twice for the same service.

Generally speaking, credit cards offer a basic collision damage waiver. In countries like the US, CDW isn't compulsory. For this reason, it is not included the price. This is a case where the credit card insurance would be useful.

However, if CDW is obligatory in the country you are visiting, it is likely to be already included in the rental price. Collision damage should not be confused with a full insurance package, which covers the driver in all other cases. Moreover, full insurance packages usually include other important services, such roadside assistance, GPS and a free extra diver. In contrast, third party insurance isn't included in most credit cards



#### HOW OLD DOES ONE NEED TO BE TO HIRE A CAR?

The minimum driving age also changes from one country to another. In France the minimum age is 15 if the person drives with supervision That being said, international car rental companies don't usually accept drivers under 21. In Germany and South Africa, some companies accept customers over 18. In most cases, drivers younger than 25 are requested to pay an additional fee on a daily basis. Similar conditions apply to customers over 70. Most states limit the driving age to 75, although it is normally possible to come to an agreement if it's an experienced driver with good health.

#### THE INTERNATIONAL DRIVING PERMIT

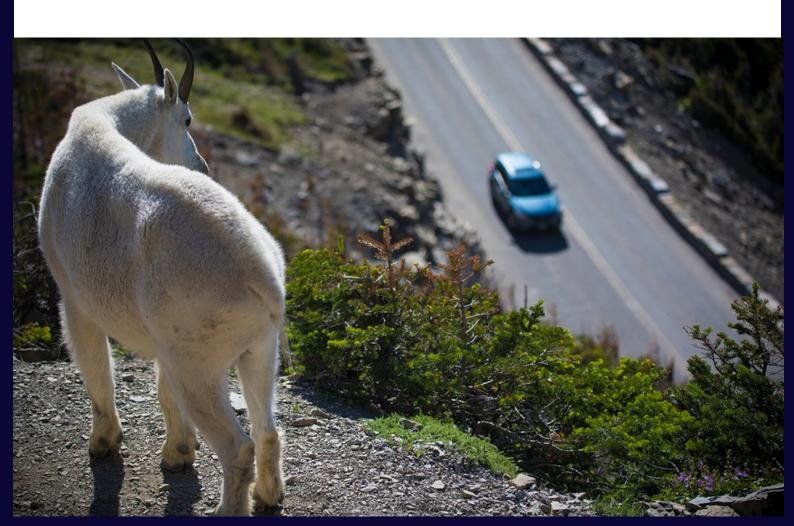
If our driving licence isn't valid in the destination country, we will need to apply for an International Driving Permit at our national traffic authority. For example, European citizens don't need an IDP to move around the EU, but they do when visiting the US. To be valid, the IDP needs to be accompanied by your local driving licence.



# SPECIAL REQUIREMENTS FOR HIRING CARS WORLDWIDE

#### **Asia**

In central Asia, all car rental companies offer 'self-drive' and 'chauffer service'. There are many reasons that explain this. First of all, the International Driver's Permit isn't valid in China, as the country never signed the convention that created it. Therefore, driving in China is only possible with a Chinese licence. In other countries, like India and Pakistan, a driver should have some experience on the roads to avoid any accidents. Whereas in China the traffic runs on the right side of the road, in Hong Kong, Japan, India, Pakistan you drive on the left. In contrast, Corea and South Asia follow the international standards. In any of these cases, it is important to book full insurance, including third party liability.



## **United States**

Car rental prices in the United States include a number of fees which aren't usually included charged on the customer. Some examples which can be found in most rental companies are:

- **Concession recovery fee:** it is the fee that the car rental company is charged to have an office at the aiport.
- *Vehicle license recovery fee:* companies also charge you for licencing their vehicles.

Remember that CDW isn't obligatory for rental (but recommendable) and that third-party insurance isn't required in all states.

#### **Latin America**

Since in some Latin American countries third party insurance isn't obligatory it is recommended to enquire about it before booking.



## **Australia**

Australia is known for its long distances and toll lanes, although not all of them accept cash. To make things easier for tourists, the Australian government created the eMU Pass. The eMU Pass is linked to your licence plate number, so that your credit card is charged each time you go through a toll control. The eMU Pass is valid for 30 days and can be acquired online.

## **Africa**

Although the situation varies depending on the region, the best way to avoid incidents is to respect the speed limits. In certain areas, the police can be very strict with tourists. In any case, remember to buy roadside assistance for longer trips.

# **Europe**

Although considered as the same region, car hire companies don't usually cover drivers for visiting other countries within the European Union. Moreover, EU cars cannot be driven outside the border.

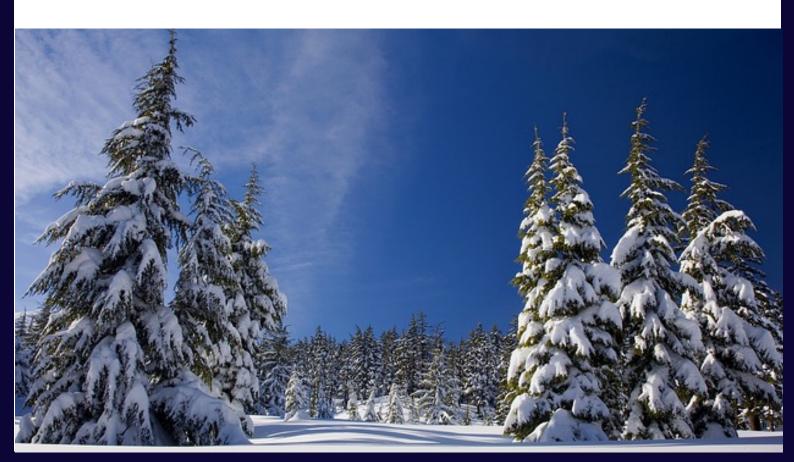


## Russia

As a major oil producer, Russia offers low fuel prices. The downside is that traffic jams are quite common and so are road accidents. As a result, many companies offer a chauffered service. If you eventually decide to hire a car, you will be charged a 'wintersation fee', which is legally required. This fee will pay for the winter equipment of the car, including iwnter tyres and snow chains. In fact, the winterisation fee is often obligatory in ski resorts and colder countries across Europe (Austria, Finland, Denmark, Iceland and Sweden)

#### **Iceland**

Iceland is the only country in the world to offer so-called 'Sand and Ash Protection' (SAAP), as well as 'Gravel Protecion' (GP). The Sand and Ash Protection covers a car in case it is damaged by volcanic ashes or sand. Although most of the times it only affects people who drive into a sandstorm, it is important to know that the Sand & Ash Period runs from February to April.





**Marbesol** is a car hire company based in Malaga airport (AGP) and Marbella, allowing you to book and drive your favourite car brands throughout the Costa del Sol in the south of Spain. You can benefit from cheap yet top quality car rental, whether you are living, spending your long-awaited holidays in Andalusia or simply need to hire a vehicle for a quick trip.

#### **Marbesol Rent a Car**

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#### Contact

