Hike in vehicle insurance premiums under study

THE INSURANCE COMMISSION (IC) said it is considering increasing basic premiums for Compulsory Motor Vehicle Liability Insurance (CMVLI) in certain types of vehicles.

"In consonance with the President's commitment to improve coverage for victims of road traffic incidents, increasing the Compulsory Motor Vehicle Liability Insurance benefits aligns with the national policy of ensuring accessible and adequate financial protection," the regulator said in a draft circular dated June 27.

The basic premiums were set in 2006 and remained unchanged since.

The draft sets the limit for third-party liability for all CMVLI coverage at P400,000.

The draft also quadruples the benefits payable per loss resulting from any one incident as well as the maximum reimbursable fees for each service or accommodation.

The draft proposes basic premium hikes of AC and tourist cars to P905.79 for one-year CMVLI coverage from P590.82 previously, and to P2,594.94 for three-year coverage, from P1,692.61.

The basic premium for Taxis, Public Utility Jeepneys, and Minibuses increases to P1,346.3 for one-year coverage from P878.24 previously. It was raised to P3,855.70 from P2,514.97 for three-year coverage.

The draft proposes basic premiums for public utility buses and tourist buses of P1,303.21 per year, from P1,157.69 previously, and to P3,729.86 from P3,313.37 for three-year coverage.

Premiums are calculated by adding 12.5% documentary stamp tax, 12% expanded value-added tax, and 0.75% local government tax to the basic premium.

The proposed schedule of benefits and premium rates for each vehicle classification was submitted by the Philippine Insurers and Reinsurers Association, Inc. for review by the IC.

"The purpose of the CMVLI is to guarantee and ensure that the owners and/or operators of motor vehicles have the means and resources to indemnify, as far as applicable, the death and/or bodily injury of third parties or passengers arising from the operation of their motor vehicles," the IC said. — **Aaron Michael C. Sy**

Cisco says AI, cloud to require modernized networks

THE RISE of artificial intelligence (AI), cloud, and the Internet of Things will require information technology (IT) departments to overhaul their network technology, Cisco Philippines said.

"As AI assistants, agents, and data-driven workloads reshape how work gets done, they're creating faster, more dynamic, more latency sensitive, and more complex network traffic," Cisco said in a statement.

About 93% of IT officials expect improved infrastructure to drive revenue, while 97% expect meaningful cost savings when using smarter, more secure, and adaptive networks, Cisco added.

It also noted that 98% of those surveyed recognize the importance of secure networking to their operations and growth, while 97% believe an improved network will enhance their cybersecurity posture.

Cisco found that 82% have experienced major outages due to cyberattacks, congestion, and misconfigurations.

"(Around) 45%... say a modernized network's greatest impact on revenue will come from deploying AI tools that automate and tailor customer journeys — enabling faster, more personalized experiences that can strengthen loyalty and drive growth," Cisco added.

However, 65% of IT officials said their data centers are inadequate for AI demands, while 92% plan to expand capacity — whether on-premise, in-cloud, or both.

Some 99% consider autonomous, AI-powered networks to be essential to future growth, Cisco said.

"As businesses in the Philippines and around the world harness the power of AI, the network is the critical backbone that makes it all possible," Zaza Soriano-Nicart, managing director at Cisco Philippines, said.

"To meet the needs of tomorrow's businesses and protect against evolving threats, today's networks must be faster, smarter, and more resilient," she added. — **Beatriz Marie D. Cruz**

MSMEs vie to join Jollibee supply chain

OVER 100 owners of micro, small and medium enterprises (MSMEs) participated in a session organized by the Department of Trade and Industry (DTI) which could make them eligible to become suppliers to Jollibee Foods Corp.

"This program is not just about upskilling our MSMEs. It's about enabling livelihood," Trade Secretary Ma. Cristina A. Roque said in a statement on Wednesday.

"By equipping entrepreneurs with the tools, knowledge, and network to become part of established value chains like Jollibee's, we help them create sustainable income," she added.

A total of 106 entrepreneurs participated in the session at the Jollibee Plaza in Ortigas Center on Wednesday, in a program organized by the DTI, Jollibee Foods Corp., and the Jollibee Group Foundation.

The MSMEs were given mentoring sessions by Jollibee Group executives on how MSMEs and smallholder farmers can join the Jollibee supply chain.

The program, which initially covered businesses in the agriculture and food sectors, now includes MSMEs from the construction and packaging industries.

"The DTI will actively work with Jollibee in tracking the progress of our MSME participants," according to Trade Undersecretary for Regional Operations Blesila Lantayona.

"We want to see real outcomes, expanded markets, increased sales, streamlined operations, and even future partnerships with companies like Jollibee," she added. — **Justine Irish D. Tabile**

PHL wholesale price growth eases to 3-month low in May

WHOLESALE price growth of general goods eased further in May to its slowest pace in three months, led by the heavily weighted food index, the Philippine Statistics Authority (PSA) said in a report.

Citing preliminary data, the PSA said the general wholesale price index (GWPI) eased to 3.5% year on year, against 4% in April. A year earlier, the rate had been 2.3%.

The May indicator was the weakest reading since the 2.9% logged in February 2025.

Year to date, bulk price growth averaged 3.3%, slightly higher than the year-earlier 2.8%.

Michael L. Ricafort, chief economist at the Rizal Commercial Banking Corp., said in an e-mail that the year-on-year growth pickup in May was partly due to the midterm elections, which boosted demand for various goods and services.

He added that the May growth rate slowed from April as the campaign period wound down days before the May 12 midterm elections.

"The downtrend in the annual growth rate of the GWPI was mainly caused by the slower annual increase in the index of food at 2.2% in May 2025 from 2.9% in the previous month," the PSA said in a report.

Additionally, the PSA said slower growth was also seen in the commodity groups of chemicals including animal and vegetable oils and fats, (14.5% from 15.3%), manufactured goods classified chiefly by materials, (0.9% from 1.3%), and machinery and transport equipment (1% from 1.4%).

Meanwhile, price growth accelerated in crude materials, inedible except fuels (96.2% from 94.6%), and beverages and tobacco (4.3% from 3.7%).

Price growth slowed in Luzon in May to 3.7% from 4.3% in April. The year-earlier reading had been 2.2%.

Meanwhile, price growth in the Visayas accelerated to 1.3% from 0.7% in April. Price growth had come down significantly from the 5.6% posted in May 2024.

Mindanao price growth eased to 0.9% from 1.1% in April and 1.9% in May 2024.

Mr. Ricafort said wholesale prices and inflation will be a function of external factors, especially those arising from the situation in the Middle East.

"This could determine any future volatility in global crude oil and other commodity prices (still uncertain; wait-and-see mode), since these are beyond the country's reasonable control." — **Matthew Miguel L. Castillo**