



www.governance.com  
 System  
 ISO 9001:2008  
 www.tuv.com  
 ID #105080109

05 March 2018

RECEIVING COPY

**UNDERSECRETARY NORA K. TERRADO**

*Officer-in-Charge*

**CENTER FOR INTERNATIONAL TRADE**

**EXPOSITIONS AND MISSIONS (CITEM)**

Golden Shell Pavilion, ITC Complex, Roxas Blvd. Cor.  
 Sen. Gil J. Puyat Ave., Pasay City

COA-OFFICE OF THE CHAIRPERSON  
 RECEIVED BY: \_\_\_\_\_  
 DATE: 14 MAR 2018  
 TIME: 11:10

**RE: VALIDATION RESULT OF 2016 PERFORMANCE  
 SCORECARD OF CITEM**

Dear Undersecretary Terrado,

This is to formally transmit the validation result of CITEM's 2016 Performance Scorecard. Based on the validation of documentary submissions last 18 October 2017, the CITEM gained an over-all score of **95.64%** (See **Annex A**).

In relation to its application for the grant of 2016 PBB to eligible officers and employees, the CITEM can grant such incentive only upon receipt of confirmation letter from the Governance Commission. In this regard, the Board is reminded that any unilateral action to release the PBB before the confirmation will be considered as a violation of the Board's fiduciary duty to protect the assets of the GOCC as provided under Section 19 of Republic Act No. 10149<sup>1</sup>.

**FOR YOUR INFORMATION AND GUIDANCE.**

Very truly yours,

**SAMUEL G. DAGPIN, JR.**  
*Chairman*

**MICHAEL P. CLORIBEL**  
*Commissioner*

**MARITES CRUZ DORAL**  
*Commissioner*

cc: COA Chairman MICHAEL G. AGUINALDO  
 COA Resident Auditor - CITEM

<sup>1</sup> GOCC Governance Act of 2011.



Management System  
 ISO 9001:2008  
 www.tuv.com  
 ID 510000106

RECEIVING COPY

05 March 2018

**UNDERSECRETARY NORA K. TERRADO**

*Officer-in-Charge*

**CENTER FOR INTERNATIONAL TRADE**

**EXPOSITIONS AND MISSIONS (CITEM)**

Golden Shell Pavilion, ITC Complex, Roxas Blvd. Cor.  
 Sen. Gil J. Puyat Ave., Pasay City

r/c GAGUI JP  
  
 B.14.18

**RE: VALIDATION RESULT OF 2016 PERFORMANCE  
 SCORECARD OF CITEM**

Dear Undersecretary Terrado,

This is to formally transmit the validation result of CITEM's 2016 Performance Scorecard. Based on the validation of documentary submissions last 18 October 2017, the CITEM gained an over-all score of **95.64%** (See **Annex A**).

In relation to its application for the grant of 2016 PBB to eligible officers and employees, the CITEM can grant such incentive only upon receipt of confirmation letter from the Governance Commission. In this regard, the Board is reminded that any unilateral action to release the PBB before the confirmation will be considered as a violation of the Board's fiduciary duty to protect the assets of the GOCC as provided under Section 19 of Republic Act No. 10149<sup>1</sup>.

**FOR YOUR INFORMATION AND GUIDANCE.**

Very truly yours,

**SAMUEL G. DAGPIN, JR.**

*Chairman*

**MICHAEL P. CLORIBEL**  
*Commissioner 1-8*

**MARITES CRUZ DORAL**  
*Commissioner*

cc: COA Chairman **MICHAEL G. AGUINALDO**  
 COA Resident Auditor - CITEM

<sup>1</sup> GOCC Governance Act of 2011.

**CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS, INC.  
2016 PERFORMANCE SCORECARD**

Objective / Measure	Component				CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks
	Formula	Wt.	Rating Scale	Target	Actual	Rating	Score	Rating		
<b>SO 1</b>	<b>Create a "PHILIPPINES FIRST" mindset among Stakeholders</b>									
SM 1	Publicity mileage generated (local and international)	Absolute Number	15%	Actual/Target x Weight	₱395.48 M	₱635.54 Million	15.00%	₱635.54 Million	15.00%	2016 Free Publicity Generated Total Media Mileage or Value: -Media Millage -Local Online Pick-ups -International Print & Online Pick-ups -Broadcast Media  In 2016, publicity mileage saw an increase of 59% from the previous year. The total media mileage/value of ₱635.54 Million is composed of Media Mileage (print), Local Online Pick-ups, International Print & Online Pick-ups and Broadcast Media. Broadcast Media generated the highest free publicity in 2016 with ₱260.89 Million, followed by the Local Online-Pick-ups with ₱223.09 Million.
<b>SO 2</b>	<b>To Provide Sustainable Marketing Platforms for SME Development</b>									
SM 2	Number of SMEs Benefiting from CITEM Capability Building Programs	Absolute number	7%	Actual/Target x Weight	400	453	7.00%	453	7.00%	Report on SME attendees per type of capacity-building seminar: - Export Coaching - Product Development Sessions - Brand Coaching Seminars  In 2016, there were 453 SMEs/exhibitors that participated in the capacity building programs of CITEM which focused on product development and export coaching.

STAKEHOLDERS

Objective / Measure		Component			CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks	
		Formula	Wt.	Rating Scale	Target	Actual	Rating	Score			Rating
SM 3	Number of Young Talents Discovered, Supported, and Promoted	Absolute number	6.50%	Actual/Target x Weight	8 Red Box Finalists	21 Red Box finalists supported and promoted	6.50%	21 Red Box finalists supported and promoted	6.50%	Report on 2016 Red Box Program	In 2016, CITEM supported/promoted 21 young talents through its RED BOX program, which is a design development program that harnesses talent and creates the next generation of Philippine designers. The program introduces young designers who are matched with local manufacturers to create innovative products that reflect their unique design sensibility.
SM 4	Number of Brands Supported and Promoted	Absolute number	6.50%	Actual/Target x Weight	8 company brands	21 company brands supported and promoted	6.50%	21 company brands supported and promoted	6.50%	Report on brands supported and promoted	During the world's leading design shows, CITEM successfully promoted 21 company brands. Ten (10) of these company brands were showcased during the Maison & Objet Paris on September 2-6, 2016; one (1) brand in International Furniture Fair Singapore; five (5) brands during the International Contemporary Furniture Fair in New York on May 12-14, 2016, while the remaining five (5) brands were promoted during the Salone Internazionale del Mobile in Milan on April 12-17.

1-

Objective / Measure	Component		CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks			
	Formula	Wt.	Rating Scale	Target	Actual	Rating			Score	Rating	
<b>SO 3</b>	<b>To Provide Stakeholders with a Unique Sourcing and Selling Experience</b>										
SM 5	New Products Developed and Showcased	—	5%	—	300	1,581 new products developed and showcased	5.00%	1,581	5.00%	Report on new products developed/showcased	<p>Through its Design for Exports Program, CITEM procures the services of notable Merchandize Development Specialists to engage SMEs in developing new products or merchandizes. The criteria for new product or merchandize is dependent on the engaged specialists. The specialists review the designs provided and proof of concepts/sketches from the designers. CITEM's control over the program is through the predetermined number of designs and sketches in the specialists' contracts. CITEM verifies the accomplishments and number of merchandize developed through reports rendered and certified by the engaged specialists.</p> <p>In 2016, CITEM recorded a total of 1,581 new products developed and showcased during three events: 1) International Fashion Showcase, 2) Manila FAME April 2016, and 3) Manila FAME October 2016.</p>

1-

Objective / Measure		Component				CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks
		Formula	Wt.	Rating Scale	Target	Actual	Rating	Score	Rating		
SM 6	Sales Generated per Peso of Subsidy	Total Export Sales / Total NG Subsidy	10%	Actual/Target x Weight	\$1.15 for every peso spent (without IFEX)	\$1.56	10.00%	\$1.56	10.00%	Export Sales	For 2016, subsidy received by CITEM amounts to ₱195 Million, a slight increase from ₱186.4 Million in 2015. Total export sales amounted to \$304.8 Million which includes export sales from Signature Events amounting to \$16 Million and Overseas Promotional Events (Home & Fashion, Food, and International Commitment) amounting to \$288.8 Million. Sales generated per peso subsidy is \$1.56.
SM 7	Percentage of Stakeholders Satisfied (Third Party)	—	10%	Below 75% = 0%	90% Satisfied during Events	95.12% of Stakeholders are Satisfied	10.00%	95.12% of the participants is satisfied.	10.00%	Result of the Customer Satisfaction Survey by Dr. Luz Suplico Jeong	There were 1,057 survey respondents for all overseas trade fairs and Manila FAME.  Out of the 15 overseas trade fairs, 12 overseas trade fairs had a 100% of the participants/ respondents satisfied. On the other hand, the April and October Manila FAME had 85.32% and 76.67% of the respondents satisfied, respectively. Overall, the 2016 Customer Satisfaction Survey shows that 95.12% of the participants/ respondents are satisfied with CITEM's overseas trade fairs and Manila FAME.
		<b>Sub-total</b>	<b>60%</b>				<b>60.00%</b>		<b>60.00%</b>		

A

Objective / Measure	Component		CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks		
	Formula	Wt.	Rating Scale	Target	Actual	Rating			Score	Rating
SO 4	Generate Reasonable Return on Subsidy									
FINANCIAL  SM 8	Cost Recovery Ratio for Promotional Events Organized and Participated	Total Income from Promotional Events Organized and Participated / Total Project Cost	10%	Actual/Target x Weight	35%	28.81%	8.23%	28.50%	8.14%	<p>CITEM's official submission reported a cost recovery of 28.81% with actual cost of ₱155.69 Million and income of ₱44.86 Million. On 2 February 2018, CITEM emailed another report showing a cost recovery ratio of 28.68% with ₱154.73 Million actual cost based on MOOE 2016 annual audited report and ₱44.39 Million total income. Per explanation of CITEM, the income comprises of participation fees amounting to ₱43.09 and "other income" attributed to projects amounting to ₱1.29 Million.</p> <p>Based on COA-audited financial statement, income generated by CITEM through its participation fees and other related fees is ₱44.10 Million. Total cost incurred amounted to ₱154.7 Million. With this, CITEM registered a cost recovery ratio of 28.50%, meaning for every peso spent in the project, CITEM was only able to recover 28 centavos. The validated score was based on figures as reported in the COA-audited financial statement, hence the difference between the rating of GCG and CITEM.</p>

A-

INTERNAL PROCESS	Objective / Measure		Component		CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks	
	SO 5	Institutionalize a CITEM CARES Program	Formula	Wt.	Rating Scale	Target	Actual	Rating			Score
	SM 9	Percentage of Implementation of Lifeplans	—	5.00%	—	Designated Sector Phase is 60% Accomplished	<u>Home Brandplan</u> – 60% <sup>1</sup>  <u>Fashion Brandplan</u> - 100% <sup>2</sup>  <u>Food Brandplan</u> – 67% <sup>3</sup>	5.00%	Fashion Brandplan - 100% accomplishment  Food Brandplan - 66.67%  Home Brandplan - 60%	5.00%	CITEM Lifeplan Accomplishment Report: 1) Fashion Brandplan 2) Food Brandplan 3) Home Brandplan  To further serve the SME sector, CITEM embarked on a program which aims to create a roadmap of action plans for the development of selected SMEs under Home, Fashion and Food Sectors.  In 2016, CITEM achieved 100% accomplishment for the Fashion Brandplan. For the Food Brandplan, 2 out of the 3 targets were accomplished. For the Home Brandplan, 3 out of 5 targets were accomplished.

<sup>1</sup>Home Brandplan – 60%

1. Implemented Creative Story Telling Workshop at CITEM HallOne on February 5, 2016 with 19 attendees composed of 4 companies and 14 designers;
2. Organized Philippine Participation in Salone International del Mobile (Milan, Italy), International Contemporary Furniture Fair (New York, USA) and International Furniture Faire Singapore (IFFS); and
3. Developed 7 additional brands (LIJA, Venzon's Lighting, Zacarias, Maze, A. Garcia, Kit Blancas, Zarate)

<sup>2</sup>Fashion Brandplan - 100%

1. Identified Export-ready brands (Michelline Syjuco, Megabijoux, Kit Silver, Beatriz, Mia Arcenas, Floreia, Crstal Seas, ZAI Design Hive, Larone, Ann Ong);
2. Implemented three (3) trainings/seminars for participants:
  - a. Intellectual Property Rights & Designer – Manufacturer Collaboration Seminar last 08 April.
  - b. Fashion Philippines Seminar on European Market Access and Opportunities at the HallOne Conference Room, November 22-23, 2016 with 108 participants including Fashion Philippines companies
  - c. Implemented Luxury Brand Management Masterclass: The Art of Creating and Launching Luxury Brand at the HallOne Conference Room, November 22-23, 2016 who 108 participants including Design Philippines companies
3. Showcased 7 Fashion Philippines companies in Manila FAME October

<sup>3</sup>Food Brandplan – 67%

1. Identified "laundry list" of prospective proponents for the program
2. Submitted funding proposal to DTI re: Food Innovation Program IFEX 2017.

1-



Objective / Measure		Component			CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks	
		Formula	Wt.	Rating Scale	Target	Actual	Rating	Score			Rating
SM 10	Review and Development of Policies regarding CITEM incentives and services	—	5.00%	—	Policy Matrix indicating number of policies created/ reviewed	A total of six (6) main policies with 17 programs/ activities/ projects (PAPs) were compiled and reviewed. Of these policies, 11 have definite resolutions, while 6 are awaiting developments such as reorganizations, referendums, and approval	5.00%	Policy Matrix (SME- Exhibitors, Designers and Young Talents, and International Buyers)	5.00%	CITEM Policy Matrix for Stakeholders; Office Order, Terms of Reference	The policy matrix of CITEM shows that it compiled/reviewed a total of 6 policies with 17 programs and activities. Out of the 17 programs, only two are supported by an Office Order and another 2 by Terms of Reference. The remaining 14 only had program briefs.
<b>SO 6 Build and Institute an Effective Customer Relations Management System</b>											
SM 11	Percentage of Buyers Engaged in the System	—	10.00 %	Actual / Target x Weight	1,050	1,279 buyers engaged	10.00%	1,141	10.00%	List of buyers engaged directly by the buyer team Email confirmation regarding the participation in Manila FAME	For purposes of the performance scorecard, engagement shall mean communication between CITEM and the buyers registered in CITEM's system.  In 2015, CITEM targeted to engage with 30% of the identified 1,500 companies in its system. For 2016, their target is to engage with the remaining 70% or 1,050.  Review of supporting documents shows that the buyers engaged directly by the CITEM's buyer team in the system from January to June

A

Objective / Measure	Component				CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks		
	Formula	Wt.	Rating Scale	Target	Actual	Rating	Score	Rating				
										2016 is 866, and 275 from July to December 2016. This makes a total of 1,141, hence the difference between the GCG and CITEM score. CITEM still achieve the full rating for this measure because it exceeded its target.		
		<b>Sub-total</b>	<b>30%</b>				<b>28.23%</b>		<b>28.14%</b>			
<b>SO 7 Build Organizational Competencies</b>												
LEARNING AND GROWTH	SM 12	Competency Framework	—	5.00%	—	Establish Competency Baseline	Identified technical competencies for key positions (on individual baseline)	5.00%	Competency Matrix and Position Profiles	2.50%	Competency Profile with Required Competencies for Operations and Support Team	Review and validation of the supporting document shows that CITEM was only able to complete the Competency Matrix and Position Profile.  CITEM is only given consideration for its accomplishment with a 2.50% score, specifically for completing 2 out of the 4 remaining steps (including the Competency Assessment) in establishing baseline.
	<b>SO 8 Institutionalize Quality Management System</b>											
	SM 13	Attain ISO Certification	—	5.00%	—	ISO Certification for all processes	1. Implementation of approved QMS documents (ISO 9001 mandatory procedures) 2. Internal Audit Training	5.00%	ISO 9001: 2008 Readiness Assessment Report	5.00%	ISO 9001: 2008 Readiness Assessment Report	In its letter dated 14 October 2016, CITEM requested to defer ISO 9001:2008 certification, noting that it will only pursue the requirements since the Center is still working on its new organizational structure and to align with their mandate. CITEM only submitted the ISO 9001:2008 Readiness

✓

Objective / Measure	Component		CITEM Submission			GCG Validation		Supporting Documents	GCG Remarks
	Formula	Wt.	Rating Scale	Target	Actual	Rating	Score		
					3. Internal Audit Implementation (first cycle) 4. Corrective and preventive actions as reflected in audit findings report 5. Revisions and improvements of procedures 6. Second Cycle of Internal Audit 7. Final gap assessment				Assessment Report on the QMS as accomplishment for this measure. The Readiness Assessment, which was carried out on January 4 and 6, 2017, covered CITEM's support processes, core processes and management processes. Request to change target to ISO 9001:2008 Readiness Assessment is ACCEPTABLE.  For the 2017 Performance Scorecard of CITEM, the target for this measure is ISO Certification 9001:2015.
		<b>Sub-total</b>	<b>10%</b>				<b>10.00%</b>		<b>7.50%</b>
		<b>TOTAL</b>	<b>100%</b>				<b>98.23%</b>		<b>95.64%</b>

A-