# PERFORMANCE AGREEMENT

This Performance Agreement has been executed pursuant to the **PERFORMANCE EVALUATION SYSTEM FOR THE GOCC SECTOR (GCG MC No. 2013-02 [Re-Issued])** between the –

**GOVERNANCE COMMISSION FOR GOCCs (GCG)**

- and -

**CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS (CITEM)**

**WHEREAS**, the Parties above entered into a Performance Agreement covering CY 2016;

**WITNESSETH: THAT –**

The Parties agree to the following terms:

1. ***Mission and Vision***. – CITEM's Mission, Vision and target breakthrough results for its vision year are as follows:

   **Mission : To develop, nurture, and promote globally-competitive Philippine Small and Medium Enterprises, exporters, designers, and manufacturers through an integrated approach to export marketing.**

   **Vision : By 2016, CITEM will have created a distinct Philippines brand.**

   The agreed Strategy Map for achieving the vision is attached hereto as ***Annex A***.

2. ***Measurement of Performance***. – Performance for 2016 shall be measured based on the Performance Scorecard attached hereto as ***Annex B***. It is understood that the GOCC must achieve a weighted-average of at least 90% based on the agreed targets for 2016 to be eligible to grant any Performance-Based Bonus.

3. ***Quarterly Submission of Performance Monitoring***. – CITEM shall submit a quarterly monitoring report to the GCG within thirty (30) calendar days from the close of each quarter.

4. ***Good Governance Conditions***. – In addition to the covered portions of the Performance Scorecard, the GOCC must fully comply with the Good Governance Conditions enumerated under GCG MC No. 2013-02 (Re-Issued), GCG MC No. 2014-02, and GCG MC No. 2014-03 namely:

   4.1. *Conditions Common to National Government Agencies and GOCCs*:

   (a) Transparency Seal;

   (b) PhilGEPS Posting;

(c) Cash Advance Liquidation;

(d) Citizen's Charter or its equivalent; and

(e) Compliance with the submission and review requirements covering Statement of Assets, Liabilities and Networth (SALN);

4.2. *Conditions Specific to GOCCs Covered by R.A. No. 10149*:

(a) Satisfaction of all statutory liabilities, including the payment of all taxes due to the Government, and declaration and payment of all dividends to the State as cleared by the Department of Finance.

(b) Submission and execution of concrete and time bound action plans for addressing Notices of Disallowances and Audit Observation Memoranda from the Commission on Audit (COA), if any.

(c) Adoption of a "*Manual of Corporate Governance*" pursuant to Section 42 of the **CODE OF CORPORATE GOVERNANCE FOR GOCCs (GCG MC No. 2012-07)** that is approved by GCG and uploaded on the GOCC's website.

(d) Compliance with posting on the GOCC's website the information enumerated under Section 43 of GCG MC No. 2012-07.

(e) Adoption of a **NO GIFT POLICY** approved by the GCG and uploaded on the GOCC's website pursuant to Section 29 of GCG MC No. 2012-07.

(f) Compliance with the deadlines and submission of reports through the Integrated Corporate Reporting System (ICRS) pursuant to GCG MC No. 2014-02.

(g) Compliance by all members of the Governing Board with the submission of all required forms for the Director Performance Review (DPR) pursuant to GCG MC. No. 2014-03 and implementing issuances pursuant thereto.

(h) Submission of Corporate Operating Budgets (COBs):

i. For GOCCs receiving national government budgetary support, COBs shall be submitted to the Department of Budget and Management (DBM) for review and approval on or before the deadline indicated in DBM National Budget Memorandum No. 120 on "Budget Call for FY 2015;"

ii. For GOCCs without national government budgetary support, COBs shall be submitted to the Governance Commission using the same deadline as provided in DBM National Budget Memorandum No. 120.

**5.** CITEM shall timely inform GCG of all audit observations and notices of disallowances within seven (7) working days from the time it receives the same from the Commission on Audit (COA) prior to the regular publication of the final annual audit report. Accordingly, CITEM shall copy furnish the Governance Commission copies of all written communications between CITEM and COA on such matters, inform GCG of the schedule of its exit interview with COA seven (7) working days before the schedule or as soon as practicable, and other efficient means of inter-agency coordination.

Failure to timely disclose such matters to the Governance Commission prior to the same becoming public information or the submission of the application for the Performance-Based Bonus (PBB) or Performance-Based Incentive (PBI) may be considered as non-compliance with the Good Governance Condition of submitting Concrete and Time Bound Action Plans on findings of COA, rendering the Governing Board **INELIGIBLE** to apply for the PBI, without prejudice to a further determination on the impact of the same on the GOCCs PBB application.

**6.** Nothing herein shall be construed as limiting the authority of GCG to initiate renegotiations and/or revoke Performance Agreements in accordance with existing laws, rules and regulations.

**DONE**, this 1st day of February 2016, in the City of Makati, Philippines.

**GOVERNANCE COMMISSION FOR GOCCs**

**BY AUTHORITY OF THE COMMISSION:**

**CESAR L. VILLANUEVA**
*Chairman*

**MA. ANGELA E. IGNACIO**
*Commissioner*

**RAINIER B. BUTALID**
*Commissioner*

**CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS**

**ADRIAN S. CRISTOBAL JR.**
*Chairman*

**ROSARIO VIRGINIA C. GAETOS**
*Executive Director*

Wilhelmina C. Manalo
**AMANDO M. TETANGCO JR.**
for: *BSP Governor and Ex Officio Board Member*

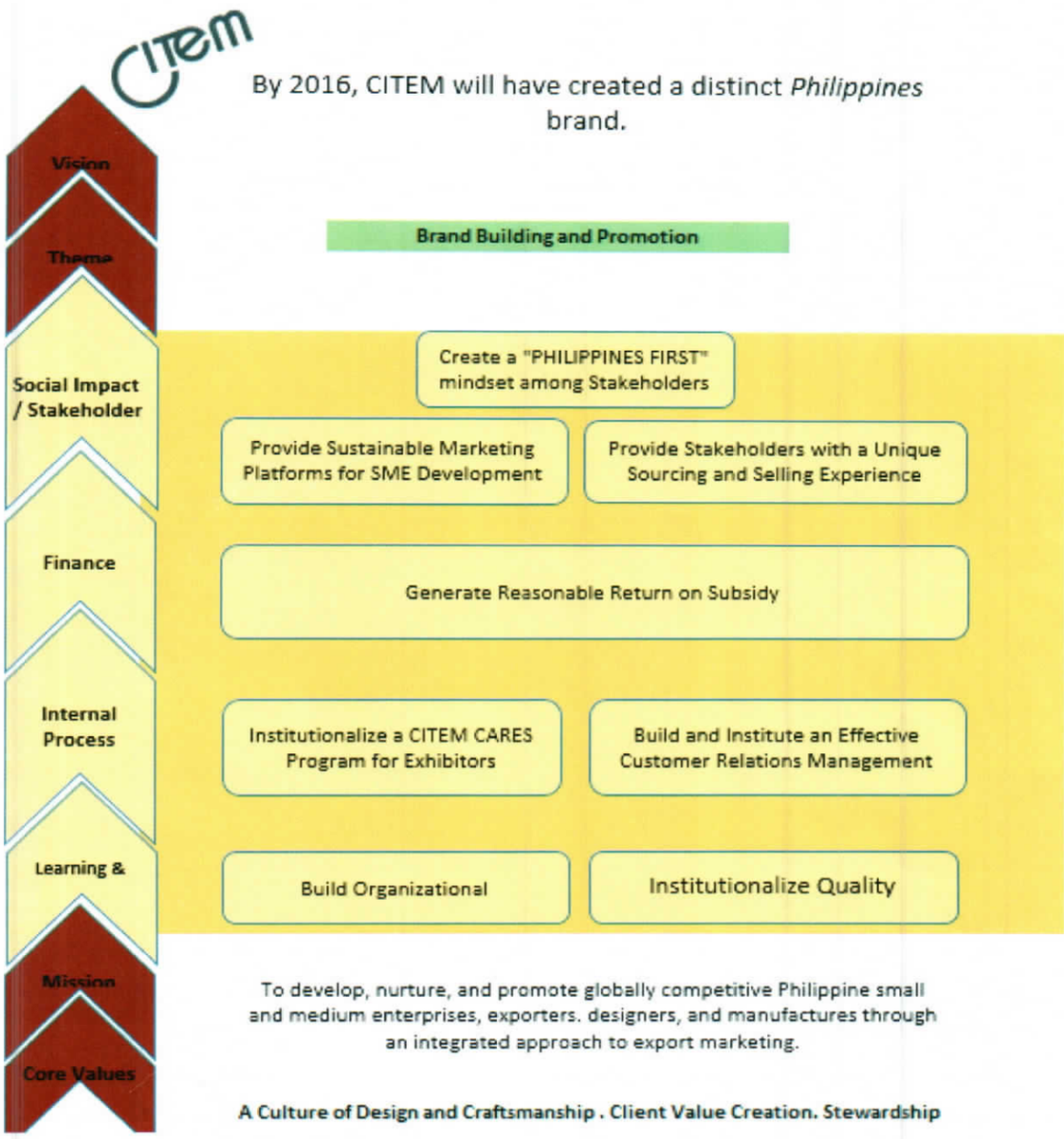
**ROBERT G. VERGARA**
*GSIS President/ GM and Ex Officio Board Member*

for **GILDA E. PICO**
*LBP President and Ex Officio Board Member*

**ZENEN RENAN B. DALISAY**
*NFA Administrator and*
*Ex Officio Board Member*

*Annex A*

# CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS



## CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS

| | Component | | | | | Baseline | | | Target |
|---|---|---|---|---|---|---|---|---|---|
| | | Objective/Measure | Formula | Weight | Rating System | 2013 | 2014 | 2015 | 2016 |
| Stakeholders | **SO 1** | **Create a "PHILIPPINES FIRST" mindset among Stakeholders** | | | | | | | |
| | SM 1 | Publicity Mileage Generated (local and international) | Absolute number | 15% | Actual/ Target x Weight | ₱142.006 Million | ₱358.130 Million | ₱376.648 Million | ₱ 395.48 Million |
| | **SO 2** | **To Provide Sustainable Marketing Platforms for SME Development** | | | | | | | |
| | SM 2 | Number of SMEs Benefiting from CITEM Capability Building Programs | Absolute number | 7% | Actual/ Target x Weight | - | 404 | 500 | 400 |
| | SM 3 | Number of Young Talents Discovered, Supported, and Promoted | Absolute number | 6.5% | Actual/ Target x Weight | 12 | 10 | 8 Red Box Finalists | 8 Red Box Finalists |
| | SM 4 | Number of Brands Supported and Promoted | Absolute number | 6.5% | Actual/ Target x Weight | 10 | 8 | 10 company brands | 8 company brands |
| | **SO 3** | **To Provide Stakeholders with a Unique Sourcing and Selling Experience** | | | | | | | |
| | SM 5 | New Products Developed and Showcased | | 5% | | 309 | 240 | 317 | 300 |

| Component | | | | | | Baseline | | | Target |
|---|---|---|---|---|---|---|---|---|---|
| | Objective/Measure | | Formula | Weight | Rating System | 2013 | 2014 | 2015 | 2016 |
| | SM 6 | Sales Generated per Peso of Subsidy | Total Export Sales / Total NG Subsidy | 10% | Actual/ Target x Weight | $1.65 for every peso spent (with IFEX) | $1.14 for every peso spent (without IFEX) | $1.37 for every peso spent (with IFEX) | $1.15 for every peso spent (without IFEX) |
| | SM 7 | Percentage of Stakeholders Satisfied (Third Party) | | 10% | Below 75% = 0% | 91% | 58% | 75% of Stakeholders are Very Satisfied | 90% Satisfied during Events |
| | | **Sub-total** | | **60%** | | | | | |
| **Financial** | **SO 4** | **Generate Reasonable Return on Subsidy** | | | | | | | |
| | 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 | 37% | 26% | 40% | 35% |
| | | **Sub-total** | | **10%** | | | | | |

| | Component | | | | | Baseline | | | Target |
|---|---|---|---|---|---|---|---|---|---|
| | | Objective/Measure | Formula | Weight | Rating System | 2013 | 2014 | 2015 | 2016 |
| Internal Process | **SO 5** | **Institutionalize a CITEM CARES Program** | | | | | | | |
| | SM 9 | Percentage of Implementation of Lifeplans | | 5% | | n/a | n/a | n/a | Designated Sector Phase is 60% Accomplished |
| | SM 10 | Review and Development of Policies regarding CITEM Incentives and Services | | 5% | | n/a | n/a | n/a | Policy Matrix indicating number of policies created/reviewed |
| | **SO 6** | **Build and Institute an Effective Customer Relations Management System** | | | | | | | |
| | SM 11 | Percentage of Buyers Engaged in the System | | 10% | Actual / Target x Weight | | | 1,500 companies scrubbed/ cleaned.<br><br>30% of which have been engaged in on-going conversation | 1,050 |
| | | **Sub-total** | | **20%** | | | | | |

| Component | | | | | | Baseline | | | Target |
|---|---|---|---|---|---|---|---|---|---|
| | | Objective/Measure | Formula | Weight | Rating System | 2013 | 2014 | 2015 | 2016 |
| Learning and Growth | **SO 7** | **Build Organizational Competencies** | | | | | | | |
| | SM 12 | Competency Framework | | 5% | | n/a | n/a | Competency Table (even not Board Approved) | Establish Competency Baseline |
| | **SO 8** | **Institutionalize Quality Management System** | | | | | | | |
| | SM 13 | Attain ISO Certification | | 5% | | n/a | n/a | Approved QMS Procedures | ISO Certification for all processes |
| | | **Sub-total** | | **10%** | | | | | |
| | | **TOTAL** | | **100%** | | | | | |

**Goals per Sector**

The Home and Fashion sectors have a similar goal which is to have established at least 5 Filipino company brands by the end of the Life Plan. These company brands must have achieved *Brand Independence* meaning they would garner favorable business results and consumer response for their individual brands beyond graduating from the *Home Philippines* and *Fashion Philippines* brands.

For Food Philippines, the goal is to nurture a roster of internationally competitive Filipino food companies that are standards-aligned and have competitive products. The goal of this Life Plan is for promising Food companies to achieve HACCP certification and achieve brand independence – this is of course based on the needs and capabilities to be addressed based on Gap Analysis per company participating in the Life Plan.

**CITEM Life Plan Yearly Deliverables**

**IMPORTANT:** The deliverables for 2017 onwards may be subject to change based on CITEM's post-2016 Vision and Thrust. The Life Plans would be modified accordingly should there be appropriate changes.

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| **Home** | **Outputs:**<br><br>1. Brand Development Workshop<br><br>2. Creative Story Telling Workshop<br><br>3. Lighting Compliance Workshop<br><br>4. Participate in International Trade Exhibition/Showcase<br><br>5.Develop Case Studies | **Outputs:**<br><br>1. Undertake seminars geared towards understanding of new markets<br><br>2.Participation in International Trade Exhibition/Showcase | 2017 marks the end of the original Design Philippines Life Plan. Program continuation, evolution, and modification will be dependent on CITEM's post-2016 Vision and Thrust | | |