



21 October 2019

MR. RAMON M. LOPEZ

DTI Secretary and CITEM Chairman

MS. PAULINA SUACO-JUAN

Executive Director

CENTER FOR INTERNATIONAL TRADE

EXPOSITIONS AND MISSIONS (CITEM)

Golden Shell Pavilion, Roxas Boulevard cor.

Sen. Gil J. Puyat Avenue, Pasay City

Office of the Executive Director

Noted,
Pls. comply
+ post on
website
12 OCT 2019

Date: _____
Time: 8:29 am
No.: EXT-2

**RE : REVALIDATION OF 2018 PERFORMANCE
SCORECARD**

Dear Secretary Lopez and Executive Director Suaco-Juan,

This is in reference to your letter dated 13 September 2019¹ submitting to the Governance Commission the additional supporting documents in relation to its 2018 Customer Satisfaction Survey.

In GCG's initial validation of CITEM's 2018 Performance Scorecard, CITEM earned a score of 58.08%². Based on the re-evaluation of the Governance Commission, CITEM's final score in its 2018 Performance Scorecard is hereby **INCREASED** to **66.89%**. Review and evaluation of documents submitted are reflected in the "*Result of Revalidation of 2018 Performance Scorecard*" attached as **Annex A**.

Despite the increase in the total score, CITEM still failed to achieve the weighted-average score of at least 90% in the 2018 Performance Scorecard and thus, remains to be ineligible to grant the 2018 Performance-Based Bonus (PBB) to its officers and employees. We take this opportunity to remind CITEM that the revalidated Performance Scorecard shall be posted in CITEM's website, in accordance to GCG Memorandum Circular No. 2012-07³.

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,

SAMUEL G. DAGPIN, JR.
Chairman

MICHAEL P. CLORIBEL
Commissioner

MARITES C. DORAL
Commissioner

cc: COA Resident Auditor – CITEM

¹ Officially received by the Governance Commission on 13 September 2019.

² Officially received by CITEM on 20 June 2019.

³ CODE OF CORPORATE GOVERNANCE OF GOCCs, dated 28 November 2012.

CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS (CITEM)
Revalidation Result of the 2018 Performance Scorecard

		Component				CITEM Submission ¹		GCG Revalidation		Supporting Documents	GCG Remarks	
Objective/Measure		Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating			
FINANCIAL	SO 1	Ensure Financial Sustainability										
	SM 1	Cost Recovery Ratio	Total Revenue from Promotional Events / Total Project Cost	20%	(Actual / Target) x Weight 0% = If less than 40%	45%	50.17%	20%	51.32%	20%	COA Annual Audit Report Breakdown of Income and MOOE	Validated accomplishment was computed based on the submitted supporting documents: Total Income = ₱83,317,377.50 Total Cost = ₱162,348,686.00
		Sub-total		20%				20%		20%		
STAKEHOLDER	SO 2	Improve Stakeholder Satisfaction										
	SM 2	Percentage of Returning SMEs (Exhibitors) in Signature Events	Returning Exhibitors / Total Exhibitors	10%	(Actual / Target) x Weight 0% = If less than 46%	50%	55.07%	10%	61.35%	10%	Summary Report on the Percentage of Returning SMEs (Exhibitors) in Signature Events Master List of Exhibitors for Manila FAME and IFEX 2018 Exhibitors List for Manila FAME 2018 and IFEX 2018	CITEM exceeded the target. Validated accomplishment was based on the supporting documents submitted.

¹ Based on the reported Performance Scorecard submitted on 02 April 2019.

Validation Result 2018 Performance Scorecard (Annex A)

			Component				CITEM Submission ¹		GCG Revalidation		Supporting Documents	GCG Remarks	
Objective/Measure			Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating			
	SM 3	Percentage of Satisfied Customers	Number of Respondents who gave a Rating of at least Satisfactory / Total Number of Respondents	10%	(Actual / Target) x Weight 0% = If less than 80%	95% of Respondents gave a Rating of at least Satisfactory	83.74%	8.81%	<u>83.74%</u>	<u>8.81%</u>	Customer Satisfaction Survey Terminal Report from Third Party Provider Sample Accomplished Survey Forms <u>Reply Letter to GCG submitted to CITEM by the Association of Training Institutions for Foreign Trade in Asia and the Pacific</u>	<u>Reported accomplishment is acceptable.²</u>	
	SO 3	Increase Stakeholder Awareness											
	SM 4	Number of Trade Buyers Attending Export Promotion Events	Number of Actual Trade Buyers Attended	10%	(Actual / Target) x Weight	17,181	17,536	10%	5,294	3.08%	List of Trade Buyers in Signature Events (Manila FAME and IFEX Philippines) Copies of Event Reports		Validated accomplishment pertains to trade buyers from CITEM signature events which were verifiable using the reports submitted. Reports for the overseas promotional events do not indicate the actual number of trade buyers, but rather the number of inquiries generated.
		Sub-total			30%				28.81%		<u>21.89%</u>		
INTERNAL PROCESS	SO 4	Institutionalize CITEM Program to Enable a Strong & Empowered SME Sector											
	SM 5	Implementation of the Subsidy Graduation Policy	Actual Accomplishment	20%	All or Nothing	Roll-out Guidelines on the Subsidy	Guidelines were rolled-out to Manila FAME and IFEX	20%	Subsidy Graduation Policy not yet implemented	0%	Invitation Letter to Business Support Organizations (BSOs) for a Consultative Meeting	The submitted supporting documents prove the conduct of consultation with	

² Details of the review attached as "Appendix 1".

			Component				CITEM Submission ¹		GCG Revalidation		Supporting Documents	GCG Remarks
Objective/Measure			Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating		
						Graduation Policy	Philippines' Business Support Organizations (BSOs)				Copy of the Presentation to the BSOs	stakeholders but not of the implementation of the policy.
											Attendance Sheets	
	SM 6	Enhanced Integrated Approach to Export Promotion	Actual Accomplishment	20%	All or Nothing	Board approved Medium-Term Exhibitors' Development Plan	The MTEDP was approved by the CITEM Board of Governors with comments	20%	Board-approved Medium-Term Exhibitors' Development Plan (MTEDP) 2019-2022 submitted	20%	Copy of the Board-approved Medium-Term Exhibitors' Development Plan (MTEDP) 2019-2022 Corporate Secretary's Certificate on Board-approval of MTEDP Copy of the Minutes of the Board Meeting	Acceptable.
		Sub-total		40%				40%		20%		
LEARNING & GROWTH	SO 5	Improve Organizational Efficiency										
	SM 7	Improve Processes to Quality Management System	Actual Accomplishment	5%	All or Nothing	Pass Surveillance Audit for ISO 9001:2015 Standards	Surveillance audit by the Third Party Auditor, AJA, was conducted last 28 December 2018	5%	Continued certification under the ISO 9001:2015 Standards was recommended by the AJA Registrars after conduct of the Surveillance Audit	5%	Copy of the Surveillance Audit Report of the AJA Registrars	Acceptable.

Validation Result 2018 Performance Scorecard (Annex A)

Component					CITEM Submission ¹		GCG Revalidation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating			
SO 6	Enhance the Competencies of the CITEM Workforce										
SM 8	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	5%	All or Nothing	Address Competency Gap of Employees assessed in 2017 And Complete 100% Assessment of Employees	Completed assessment of 100% of MANCOM Members; and targeted technical staff	5%	Competency Assessment Result not acceptable Competency Gaps of employees not addressed	0%	Competency Assessment Report crafted In-House 2017 Competency Assessment Results Copies of Competency Assessment Forms (Self-Rating and Supervisors Assessment) List of Employees as of 31 December 2018	Based on the competency model developed by CITEM, assessment should be conducted both by the employee and supervisors. Twelve (12) of the submitted assessment forms were lacking with supervisor's assessment while seven (7) only showed the supervisor's assessment and not of the self-assessment of the employee. CITEM was also unable to address the Competency Gaps of employees assessed in 2017.
Sub-total		10%					10%		5%		
TOTAL		100%					98.81%		66.89%		

Negative Findings During the Initial Validation	Justification	Revalidation
a. The CSS was only conducted during the 67 th and 68 th Manila FAME Trade Fairs, and the 2018 IFEX Philippines Trade Fair. CITEM conducted 16 events in 2018.	<p>The other events associated with CITEM are overseas trade fairs (OTF). CITEM does not organize the event itself but organize participation of Filipino exhibitors in such events.</p> <p>Moreover, CITEM's existing guidelines require all Philippine exporting companies which intends to join OTFs to participate first in CITEM's signature events.</p>	Justification accepted.
b. The final report stated that a multi-stage random sampling technique was used in selecting the respondents of the survey, however, there was no discussion on the methodology on how the primary sampling units, <i>i.e. events</i> , were selected.	CITEM presented its random sampling technique methodology.	Submission accepted.
c. The data collection quality control report did not discuss the process of ensuring that the interviews have been conducted and completed, either through back-checking or spot-checking. It was noted that out of the three (3) accomplished survey forms submitted, two (2) forms did not indicate the time start and time end of the interview conducted.	CITEM submitted a Data Collection Quality Control Report.	Submission accepted.
d. Part IV.3.e requires that for GOCCs with several types of customers, each type should be represented and the sample size shall be proportionate to the size of each customer type. Although the report presented a weighted average score, it was weighted based on the number of respondents and not the total number of customers.	The sample size of 360 is enough to yield an MOE of 5% at 95% confidence level from a population of 5,948. CITEM complied with this with total respondents of 652.	While CITEM employed a disproportionate sampling, the result is deemed acceptable considering that the sample size was based on the prescribed methodology, formula, MOE and confidence level.