



11 March 2020

**MR. RAMON M. LOPEZ**

*Secretary, Department of Trade and Industry (DTI)  
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

**RE : REVALIDATION OF THE 2018  
PERFORMANCE SCORECARD OF CITEM**

Dear Secretary Lopez and Executive Director Suaco-Juan,

This is in reference to your letter dated 18 November 2019<sup>1</sup> appealing to the Governance Commission for the reconsideration of CITEM's 2018 Performance Scorecard rating.

In GCG's initial validation of CITEM's 2018 Performance Scorecard, CITEM earned a score of 58.08%<sup>2</sup>. Based on the re-evaluation of the Governance Commission, CITEM's final score in its 2018 Performance Scorecard is hereby **INCREASED** to **78.93%**. 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 with GCG Memorandum Circular No. 2012-07<sup>3</sup>.

**FOR YOUR INFORMATION AND GUIDANCE.**

Very truly yours,

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

  
**MICHAEL R. CLORIBEL**  
*Commissioner*

  
**MARITES C. DORAL**  
*Commissioner*

cc: COA Resident Auditor - CITEM

<sup>1</sup> Officially received by the Governance Commission on 26 November 2019.

<sup>2</sup> Officially received by CITEM on 20 June 2019.

<sup>3</sup> 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 <sup>1</sup>		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
		<b>Sub-total</b>		<b>20%</b>					<b>20%</b>			
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	CITEM exceeded the target. Validated accomplishment was based on the supporting documents submitted.

<sup>1</sup> Based on the reported Performance Scorecard submitted on 02 April 2019.

## Re-Validation of 2018 Performance Scorecard (Annex A)

Component						CITEM Submission <sup>1</sup>		GCG Revalidation		Supporting Documents	GCG Remarks
Objective/Measure		Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating		
										for Manila FAME 2018 and IFEX 2018	
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  Reply Letter to GCG submitted to CITEM by the Association of Training Institutions for Foreign Trade in Asia and the Pacific	Reported accomplishment is acceptable. <sup>2</sup>
<b>SO 3</b>	<b>Increase Stakeholder Awareness</b>										
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%	<u>8,799</u>	<u>5.12%</u>	List of Trade Buyers in Signature Events (Manila FAME and IFEX Philippines)	<u>Request for reconsideration PARTIALLY GRANTED.</u>  <u>The initially validated accomplishment of</u>

<sup>2</sup> Details of the review attached as "Annex 1".

## Re-Validation of 2018 Performance Scorecard (Annex A)

Objective/Measure		Component				CITEM Submission <sup>1</sup>		GCG Revalidation		Supporting Documents	GCG Remarks
		Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating		
										Copies of Event Reports	<u>5,294</u> was increased to <u>8,799</u> or the addition of <u>3,505</u> unique attendees for Overseas Trade Fairs. The increase in accomplishment pertains to unique visitors based on the from the Visitors' Profile System (VPS). The initially reported additional attendees of <u>3,758</u> was partially accepted. The GCG excluded double counting of entries- showing similar name, company name, and contact details. One (1) trade buyer representing different companies were considered as one (1) count only.
		<b>Sub-total</b>	<b>30%</b>				28.81%		23.93%		
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%	$\frac{\text{Actual}}{\text{Target}} \times \text{Weight}$	Roll-out Guidelines on the Subsidy	Guidelines were rolled-out to Manila FAME and IFEX	20%	<u>Collaterals Development and Information Dissemination and</u>	10%	Invitation Letter to Business Support Organizations

## Re-Validation of 2018 Performance Scorecard (Annex A)

Component					CITEM Submission <sup>1</sup>		GCG Revalidation		Supporting Documents	GCG Remarks		
Objective/Measure			Formula	Weight	Rating Scale	Target	Actual	Rating			Actual	Rating
						Graduation Policy	Philippines' Business Support Organizations (BSOs)		<u>Consultations accomplished</u>		(BSOs) for a Consultative Meeting  Copy of the Presentation to the BSOs  Attendance Sheets  <u>Manila FAME Exhibitors Attendance 2017-2018</u>  <u>Data Analytics of MSMEs using the Exhibitors' Profile System (EPS) Database</u>  <u>List of Exhibitors with Generated Export Sales during Signature Events</u>  <u>List of Exhibitors with Certification</u>	<u>Details of validation is attached as Appendix 1.</u>

## Re-Validation of 2018 Performance Scorecard (Annex A)

Component						CITEM Submission <sup>1</sup>		GCG Revalidation		Supporting Documents	GCG Remarks	
Objective/Measure		Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating			
	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.
	<b>Sub-total</b>			<b>40%</b>				<b>40%</b>		<b>30%</b>		
<b>LEARNING &amp; GROWTH</b>	<b>SO 5</b>	<b>Improve Organizational Efficiency</b>										
	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.

## Re-Validation of 2018 Performance Scorecard (Annex A)

Component					CITEM Submission <sup>1</sup>		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	Completed assessment of 100% of MANCOM Members; and targeted technical staff	5%	Competency Gaps of employees not addressed	0%	Competency Assessment Report crafted In-House	<p><u>Request for reconsideration is DENIED.</u></p> <p><u>The submitted Competency Reassessment Report for 2017 and 2018 shows the same proficiency level across competency for all employees.</u></p> <p><u>Hence, no improvement was noted.</u></p>
					Complete 100% Assessment of Employees			Competency Assessment Result <u>acceptable for 52 employees only</u>	0%	<p>List of Employees as of 31 December 2018</p> <p><u>Certification from an Organization Development Consultant</u></p> <p><u>Learning and Development Status Report as of 21 December 2018.</u></p>	

## Re-Validation of 2018 Performance Scorecard (Annex A)

Component					CITEM Submission <sup>1</sup>		GCG Revalidation		Supporting Documents	GCG Remarks		
Objective/Measure			Formula	Weight	Rating Scale	Target	Actual	Rating			Actual	Rating
											<u>Curriculum Vitae of Ms. Jennifer Senires</u>  <u>Memorandum of Agreement with Ms. Senires</u>  <u>Terms of Reference</u>	
			<b>Sub-total</b>	10%				10%		5%		
			<b>TOTAL</b>	<b>100%</b>				<b>98.81%</b>		<b>78.93%</b>		



## DETAILS ON THE VALIDATION OF STRATEGIC MEASURE 5: IMPLEMENTATION OF THE SUBSIDY GRADUATION POLICY

In its appeal letter, CITEM explained that the target refers to the Introduction of the Policy *i.e.* conduct/presentation of the required information dissemination, education, and communication to stakeholders. Thus, the supporting documents provided during the initial validation should be deemed as sufficient to say that CITEM was able to roll-out the guidelines on the Subsidy Graduation Policy.

To determine the validity of concerns raised by CITEM, the Governance Commission retrieved the submissions made by CITEM for the 2018 Performance Scorecard. In its letter dated 27 February 2018<sup>1</sup>, CITEM submitted the board-approved proposed Performance Evaluation System documents, including the CITEM Deliverables for Subsidy Graduation Policy Implementation, which provides the following target activities and deliverables:

Year	Target Activities / Deliverables
2018	Baseline Development
	Collaterals Development
	Information Dissemination and Consultations
	Recommendation Paper
2019	Information Dissemination of Policy
	Initial Testing During Signature Events
	Feedback Generation
2020	Full Implementation and Database Monitoring
	Report Generation on SME Graduation and Findings from Database

As such, we take this opportunity to clarify that the target “roll-out” refers to the compliance with and completion of the deliverables **as identified by CITEM**. We also noted that in CITEM’s request for reconsideration, the term roll out was clarified to refer to the “*introduction of the Policy, i.e. conduct presentation of the required information dissemination, education, and communication to stakeholders*”. While the Governance Commission acknowledges the said definition, the validation of the accomplishment of this measure was based on the deliverables previously identified by CITEM, which was used as the basis for the target set for this measure. Hence, the initially submitted documents of invitation letter to Manila FAME and IFEX Philippines’ Business Support Organizations (BSOs) to attend a consultative meeting to discuss the Graduation Policy including the applicable presentation and attendance sheets for the 13 November 2018 and 12 December 2018 meetings were determined as insufficient to prove that the target activities with its corresponding deliverables, were met.

Representatives of CITEM also informed GCG that CITEM’s existing SME stakeholders are automatically enrolled in the program. As such, a list of SMEs with their respective classifications, as identified by CITEM based on the graduation policy, was requested. This was to determine whether CITEM was not only able to conduct the consultations with its stakeholders and inform them of the subsidy graduation policy but was

<sup>1</sup> Officially received by the Governance Commission on 28 February 2018. See Barcode No. 2018-003400.

also able to develop the baseline through the created database on exhibitors, particularly the exhibitors' classification under the four main criteria<sup>2</sup> for the CITEM subsidy availment. However, CITEM failed to provide the requested document during the initial validation since there were still data yet to be gathered i.e. exported sales generated and certifications acquired, thus, the zero percent rating for the measure.

Through its appeal letter, CITEM was able to provide the following additional documents:

Documentation	Remarks
<b>Manila Fame Exhibitors Attendance 2017 - 2018</b>	Overall, 935 exhibitors attended the Manila FAME exhibitions for 2017 and 2018. As noted by CITEM, the list provided was created in 2017 when the Subsidy Graduation Policy was crafted and approved. The same was also used to incorporate the 2018 attendees.
<b>Data Analytics of MSMEs using the Exhibitors Profile System (EPS) Database</b>	The EPS database categorized the exhibitors of CITEM as "micro, small, medium, and large". The report also generated the asset value per category and the analysis of the company's growth i.e. from micro to small, small to medium, etc.
<b>List of Exhibitors with Generated Export Sales during Signature Events</b>	Figures are based on the sales report per company. Export Sales (in US Dollars) amounted to \$11.56 Million during the April Editions of the Manila FAME, \$23.24 Million during the October Editions, and \$271.36 Million during the IFEX Philippines in 2017 and 2018.
<b>List of Exhibitors with Certification</b>	The report shows that 509 MSMEs are with industry certifications.

Included in the said documents is a two-page report on the implementation of the policy prepared by Mr. Jewel H. Udarbe, Planning Officer IV. However, the report did not contain any information as to when the report was submitted and to whom it was submitted. Hence, it could not establish if the report was indeed accomplished during the applicable performance year. Notwithstanding this issue, the revalidation of this measure focused on determining the validity of reported accomplishments per deliverables based on the documentations provided. Summary of the revalidation is presented below:

No.	Target Activities / Deliverables	Remarks
1	Baseline Development	Not accomplished. Additional documents/report submitted are not acceptable as it did not contain any information as to when the report was submitted and to whom it was submitted.
2	Collaterals Development	Accomplished.
3	Information Dissemination and Consultations	Accomplished. CITEM initially submitted the invitation letter to Manila FAME and IFEX Philippines' Business Support Organizations (BSOs) to attend a consultative meeting to discuss the Graduation Policy including the applicable presentation, and the attendance sheets

<sup>2</sup> Time Element, Asset Value, Export Sales Generated, and Certifications Secured.

<b>No.</b>	<b>Target Activities / Deliverables</b>	<b>Remarks</b>
		for the 13 November 2018 and 12 December 2018 meetings.
4	Recommendation Paper	Not accomplished. No submission.

Considering the deliverables/accomplishments, the Governance Commission resolved to revise the rating scale from “All or Nothing” to “Actual/Target x Weight” to take into account the deliverables met. This resolution is based on the original proposal and subsequent representations of CITEM. A score of 10% is awarded to this measure corresponding to deliverables met (2 out of 4 targets were validated as accomplished).