



16 November 2020

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

**RE : VALIDATION RESULT OF 2019
PERFORMANCE SCORECARD OF CITEM**

Dear Secretary Lopez and Executive Director Suaco-Juan,

This is to formally transmit the validation result of CITEM's 2019 Performance Scorecard. Based on the Governance Commission's validation of the GOCC's documentary submissions, CITEM gained an over-all score of **86.35%** (See **Annex A**). The same is to be posted in CITEM's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07¹.

In relation to the grant of 2019 Performance-Based Bonus (PBB) to eligible officers and employees, CITEM fails to satisfy the requirements of GCG M.C. No. 2019-02² particularly the achievement of a weighted-average score of at least 90% in its 2019 Performance Scorecard. In this regard, the Board is reminded that any unilateral action to release the PBB 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. 10149³.

Consequently, pursuant to GCG M.C. No. 2018-04⁴, failure to qualify for the PBB means that the Appointive Members of the Governing Board of CITEM shall not be qualified to receive the Performance-Based Incentive (PBI).

FOR CITEM'S INFORMATION AND GUIDANCE.

Very truly yours,

cc: COA Resident Auditor - CITEM

¹ Code of Corporate Governance for GOCCs dated 28 November 2012.

² INTERIM PERFORMANCE-BASED BONUS.

³ GOCC GOVERNANCE ACT OF 2011.

⁴ INTERIM PERFORMANCE-BASED INCENTIVE (PBI) SYSTEM FOR APPOINTIVE DIRECTORS OF GOCCS COVERED BY GCG FOR 2016 AND FOR THE YEARS THEREAFTER.

CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS (CITEM)
Validation Result of the 2019 Performance Scorecard

Component					CITEM Submission ¹		GCG Validation		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 If less than 40% = 0%	54%	46.70%	17.30%	46.56%	17.24%	2019 Quarterly Work Program with Cost Recovery Ration (CRR) and Budget Utilization Report (BUR) Computation 2019 COA Audited Financial Statements Budget Execution Document Budget and Financial Accountability Report 2019 Corporate Operating Budget 2019 Calendar of Events

¹ Based on CITEM's submission dated 06 July 2020. Officially received by the Governance Commission on 08 July 2020.

Component					CITEM Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating			
SM 2	Budget Utilization Rate	Total Disbursement (net of PS) / Total DBM Approved Corporate Operating Budget (net of PS)	10%	All or Nothing	Not lower than 90% but not exceeding 100%	97.92%	10%	94%	10%	2019 COA Audited Financial Statements 2019 DBM-approved Corporate Operating Budget	Target met. The BUR was computed using the total disbursements (net of PS) amounting to ₱276.276 Million and total DBM-approved COB (net of PS) of ₱293.74 Million.
Sub-total		30%				27.30%		27.24%			
STAKEHOLDERS	SO 2 Improve Stakeholders Satisfaction										
	SM 3	Percentage of Returning SMEs (Exhibitors) in Signature Events	Returning Exhibitors / Total Exhibitors	10%	(Actual / Target) x Weight If less than 46% = 0%	50%	60.78% (For Manila FAME April, IFEX Philippines, and Manila FAME October)	10%	60.78%	10%	Summary Report on the Percentage of Returning SMEs (Exhibitors) in Signature Events Master List of Exhibitors for Manila FAME and IFEX

Component					CITEM Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating			
SM 4	Percentage of Satisfied Customers	Number of Respondents who gave a Rating of at least Satisfactory / Total Number of Respondents	10%	(Actual / Target) x Weight If less than 80% = 0%	95%	91.33% of respondents gave a rating of at least Satisfactory	9.61%	94.34%	9.93%	Customer Satisfaction Survey Report for Manila FAME and IFEX submitted by the Third Party Sample Accomplished Survey Forms from Exhibitors and Trade Buyers Clarifications provided by the Third Party	Target not met. The recomputed rating was based on the weighted average per event. The proportion of which was determined by the total number of customers instead of the total number of respondents (as submitted by CITEM).
SO 3	Increase Stakeholder Awareness										
SM 5	Number of Trade Buyers Attending Export Promotion Events	Number of Actual Trade Buyers Attendees	10%	(Actual / Target) x Weight	Minimum of 16,363 ²	15,373 ³	No rating provided	15,023	9.18%	2019 Trade Buyers from the Visitor Profile System QR Codes and Business Cards Post Event Reports of 2019 Projects Report on Status of CICA Funds	Target not met. The request to revise the rating scale is APPROVED . The variance in the CITEM-reported and GCG-validated accomplishment is detailed in Appendix A .
		Sub-total	30%				19.61%		29.11%		

² Based on 2019 National Expenditure Program

³ The figure was consolidated from various sources broken down into 1) traditional means of reporting through business cards collected and entries from trade booth logsheets, 2) Chinese social media and messaging platform WeChat QR Codes provided by Chinese trade buyers, and 3) business cards with Chinese characters provided by Chinese trade buyers

Component					CITEM Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating			
INTERNAL PROCESS	SO 4	Institutionalize CITEM Program to Enable a Strong & Empowered SME Sector									
	SM 6	Implementation of the Subsidy Graduation Policy	Actual Accomplishment	10%	5% = Roll out and implementation 10% = Recommendation paper based on the result of roll out and consultations made	Submission of the Recommendation report, based on the result of roll out and consultations made, to the Board	The Subsidy Graduation Policy was rolled-out and implemented in 2019. Likewise, recommendation paper was approved by the Board (i.e., criteria for implementation, result of consultation)	10%	Recommendation Report based on the result of roll out and consultations made Board-approved Matrix of Calculation for Graduation Subsidy for Exhibitors	10%	Baseline Data for 2018 including Baseline Criteria Details on SGP Roll-out for Manila FAME April and IFEX 2019 Recommendation Report Board-approved Matrix of Calculation for Graduation Subsidy for Exhibitors
SM 7	Enhanced Integrated Approach to Export Promotion	Actual Accomplishment	15%	All or Nothing	Implemented 100% of the deliverables in the Medium-Term Exhibitors’ Development Plan	CITEM was able to assist 393 companies under the MTEDP, with 252 companies undergoing Market Readiness capability-building activities, 100 companies for Merchandise Develop-	15%	100% of Deliverables in the Medium-Term Exhibitors’ Development Plan (MTEDP) Implemented	15%	Final Reports on Programs Implemented	Target met. The deliverables for 2019 include Phase 1: Export Coaching, Phase 2: Export Merchandise Development and Phase 3: Brand Development. Overall, CITEM was able to assist 393 companies under their MTEDP.

⁴ Process of incremental decrease over time in government support to exhibitors by means of CITEM’s subsidized rates in its Signature Events.

		Component				CITEM Submission ¹		GCG Validation		Supporting Documents	GCG Remarks														
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating																	
							ment, and 41 companies for Brand Development																		
		Sub-total	25%					25%	25%																
LEARNING & GROWTH	SO 5	Improve Organizational Efficiency																							
	SM 8	Improve Processes to Quality Management System	Actual Accomplishment	5%	All or Nothing	Pass Surveillance Audit for ISO 9001:2015 Standards	Certification maintenance under the ISO 9001:2015 standards was recommended by SOCOTEC after conduct of the 2 nd Surveillance Audit	5%	Passed Surveillance Audit for ISO 9001:2015 Standards	5%	Audit Report of SOCOTEC Certification International	Target met.													
	SO 6	Enhance the Competencies of the CITEM Workforce																							
SM 9	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	10%	All or Nothing	Improvement in the Competency Baseline of the Organization	The Post-Assessment obtained an organization competency score of 1.41, resulting in an increase of 0.11 from the organization baseline.	10%	Improvement in the competency baseline cannot be concluded	0%	Competency Assessment Results for 2018 and 2019 Computation of Competency Scores Summary of Training Programs participated Copies of Training Certificates	CITEM presented inconsistent reports to support its accomplishment. Summary of the inconsistencies found is presented below:														
										<table border="1"> <thead> <tr> <th rowspan="2"></th> <th rowspan="2">Permanent Employees as of Year-End</th> <th colspan="2">Number of Assessed Employees</th> </tr> <tr> <th>Initial Report</th> <th>Revised Report</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>93</td> <td>98</td> <td>86</td> </tr> <tr> <td>2019</td> <td>87</td> <td>98</td> <td>82</td> </tr> </tbody> </table>			Permanent Employees as of Year-End	Number of Assessed Employees		Initial Report	Revised Report	2018	93	98	86	2019	87	98	82
	Permanent Employees as of Year-End	Number of Assessed Employees																							
		Initial Report	Revised Report																						
2018	93	98	86																						
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Validation Result of 2019 Performance Scorecard (Annex A)

Component					CITEM Submission ¹		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure		Formula	Weight	Rating Scale	Target	Actual	Rating	Actual			Rating
										Baseline and Post-Assessment Forms	The revised submission shows that CITEM was not able to fully satisfy the requirement of the measure having failed to establish the competency baseline of the entire organization . CITEM was only able to assess 92.47% of its permanent employees therefore establishing partial competency baseline in 2018. For 2019, CITEM was only able to conduct assessment for 94.25% of its workforce.
Sub-total			15%				15%		5%		
TOTAL			100%				86.91%		86.35%		