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## MINUTES OF THE CITEM BOARD OF GOVERNORS' MEETING

27 October 2020, 9AM  
VIRTUAL CONFERENCE

### ATTENDANCE:

#### Alternate Chairman

Abdulgani M. Macatoman  
Undersecretary for Special Concerns and Trade Promotions Group (TPG)

#### Board Members

Mr. Thomas Benjamin B. Marcelo  
Bangko Sentral ng Pilipinas

Ms. Paulina Suaco-Juan  
CITEM

Ms. Judy O. Kis-Ing  
Land Bank of the Philippines

Ms. Elsa Asuncion Lim  
National Food Authority

#### CITEM OFFICERS

A. Grace I. Marpur  
Corporate Secretary

Ma. Lourdes D. Mediran  
Deputy Executive Director

Florence Buensalido  
HRD Chief

Wilma Dulay  
Budget, Chief

Jewel Udarbe  
Corporate Planning Division, Chief

Malema C. Buyao  
Controllorship, Chief

Jaime Antonio Sandoval  
STREDO

### I. DETERMINATION OF EXISTENCE OF QUORUM

1. The Board Secretary determined the existence of Quorum.
2. Notice of Meeting and Board Paper materials were sent to Board Members on 16 October 2020.

### II. APPROVAL OF THE PREVIOUS MEETING (24 JULY 2020)

1. Discussion of the Summary of Actions taken from the previous meeting
2. Having no further comments—

"RESOLVED, that the Minutes of the Previous 28 August  
2020 Virtual Board Meeting, being in order, is hereby  
APPROVED.

*Res. No. BM 2020-10-01*

### III. COMMITTEE MEETING

#### FINANCIAL REPORT 3Q 2020 (as of 30 September 2020)

1. For the period January 1 to September 30, CITEM incurred obligations amounting 215.774 Million, against budget of P363.025 Million, with breakdown as follows:

Particulars	(In Million Pesos)		% of Budget Utilization
	Annual Budget FY 2020	Actual Obligations (as of 30 Sept.)	
Personal Services (PS)	89.160	53.308	60%
Maintenance & Other Operating Expenses (MOOE)	269.781	162.466	60%
-Operations	214.419	132.357	62%
-General & Admin Services (GAS)	27.305	18.237	67%
-Support to Operations (STO)	28.057	11.872	42%
Capital Outlay	4.084	0.000	0%
<b>TOTAL</b>	<b>363.025</b>	<b>215.774</b>	<b>59%</b>

2. To date, CITEM realized a total of P23.623 Million in corporate revenues or 137% of the total projected revenues of P 17.200 Million.

Description	(In Million Pesos)	% Realized	
	Projected Revenues for FY 2020	Actual Revenues (As of 30 Sept.)	
Project Revenues	16.500	23.035	140%
Interest/Other Income	0.700	0.588	84%
<b>TOTAL</b>	<b>17.200</b>	<b>23.623</b>	<b>137%</b>

3. As of October 15, the DBM already released a total subsidy of P 250.631 million for FY 2020 or 100% of P250.631 subsidy for the year.

#### ISO REPORT AUDIT

1. CITEM reported through Mr. Jaime Sandoval how the ISO preparation, process and implementation milestones in CITEM.
  - a. 2015 -- preparation of the ISO 9001:2008, a previous commitment to the GCG with a weighted score of 5%.
  - b. 2016 -- CITEM requested for a deferment of the Certification because ISO has released a new standard version, the ISO 9001:2015 which was approved by GCG.
  - c. 2017 -- orientation to the general employees about ISO 9001:2015, conducted Training Courses such as the Internal Quality Audit and Documentation Management with the ISO Core Team and ManCom.
  - d. 2017-- groundworks for the Certification of ISO 9001:2015. Adjustments has been made to conform with the new requirements of the standard, which no non-conformity findings was observed. Unfortunately, CITEM was not able to meet the target, thus short on the 5% GCG commitment.



- e. 2018-- 2<sup>nd</sup> Stage Audit was conducted last 12 January 2018, which CITEM was certified for ISO 9001:2015 Quality Management System (QMS) effective 27 February 2018 with no non-conformity findings.
- f. 2019, a 2<sup>nd</sup> Surveillance Audit was conducted on 11 December 2019 with no non-conformity findings. Passed the GCG SO 5: Improve Organizational Efficiency wherein the target is to pass the Surveillance Audit of ISO 9001:2015. This has a weight of 5% with all or nothing rating system on the performance scorecard.
2. For this year 2020, since CITEM is still in a work-from-home arrangement, the Internal Quality Auditors underwent an online training in conducting audit via remote or virtual technique, with zero non-conformity findings were observed.
3. Recertification of the ISO 9001:2015 is scheduled in November with a recalibrated weight of 15% GCG commitment.
4. Queries were raised by the Board on the following:
- Anticipated non-conformity/ major non-conformities that will impact create an impact to CITEM operations
  - Adjustment on weights assigned from 5% to 15.
5. In reply, during the conduct of mock remote audit by the appointed Internal Quality Auditors (IQAs) in September, it was reported that no anticipated major non-conformities on the existing CITEM processes. Likewise, the weight point is a counter proposal from GCG, making it a final assigned weight in the 2020 Performance scorecard internal process.

#### HIRING AND PROMOTION OF APPLICANTS

6. It was reported to the Committee and to the Board that the CSC issued CSC Resolution No. 2000659 – issued the interim Guidelines on Appointments and other Human Resource Actions for the period of State of Calamity due to Covid-19 Pandemic on July 8, 2020
7. With that, CITEM issued an Office Order No. 202089 – Guidelines, appointment processes and other human resource actions in line with the CSC resolution during the period of state of calamity
- Use of various online/digital platforms for the conduct of initial interview, psychological exams, core competency written exams; and competency-based interviews for leadership and functional competencies.
  - Issuance of Appointment with the use of e-signatures;
  - Administration of Oath of Office thru virtual modes.
  - Competency-based interviewing techniques
8. Assignment of weighted score for leadership competencies (75%) and technical competencies (25%) for a total of 100%.
9. Assignment of same set of Competency Questionnaires to be asked to all applicants
10. Panel Interview and deliberation of the following supervisory/ managerial positions:
- Information Officer V (Communication Management Division)
  - Department Manager III (Communications & Creative Services Department)

UPDATES ON RECRUITMENT		
(1) Newly hired and (3) promoted employees	Technical Positions	Effectivity date: 16 September
(1) DC, EDD – for promotion	Supervisory Position	Effectivity date: 01 November
(1) DM III, CCSD – for hiring	Managerial Position	Effectivity date: 16 November
(1) DC, CMD – for hiring	Supervisory Position	Effectivity date: 23 November
(4) Newly hired Service Providers (replacement for resigned SPs)	Technical positions	Hired as of 15 October
(7) Vacant positions with PS budget 1 Division Chief 1 Info Officer III 1 Info Systems Analyst 1 TIDS 1 Creative Arts Specialist	(1) Supervisory position (6) technical positions	Date of Publication: 23 October

1 Info Officer II		
1 TIDA		
<b>Hiring of Service Providers for 2021</b>		
COA-DBM Joint Circular No. 2, 2020 dated October 20, 2020 Extended the renewal/ or hiring of new SPs until Dec 31, 2022	Actual Number of Existing SPs for CY2020  57	Hiring Forecast based on available Budget of P11Million for 2021  37

#### 4. EXECUTIVE DIRECTOR'S REPORT

1. The report was focused on CITEM's 2 major digital initiatives -- (1) the MOM event and (2) recently launched FAME+.
2. For the MOM participation, 13 brands were featured, 250 collections showcased and 140+ designs launched, under the curatorial direction of Rita Nazareno and Gabby Lichauco (Open Studio company).
3. The MOM event and its preparations happened while in the quarantine period, thus a 7-day pictorial was conducted instead of the normal 3 days photo shoot. Also, 50 creatives were engaged in content production.
4. Results of the MOM participation ----
  - a. \$1.957M reported booked orders and sales undergoing negotiations
  - b. +12% ROI
  - c. +10% Sales compared in 2019 onsite exhibit participation
  - d. Over 500 Buyer lead from 63 countries
  - e. Over 1.03M times PH products and brands were displayed
  - f. 13,395 times the featured products were visited
  - g. 1.631 times the potential buyers clicked our pages
  - h. CITEM participation in MOM were also featured on the following: M&O official pages, CNN, Nolisoli and ACIID.
  - i. CITEM invested extensively on promotion of the MOM event which resulted in 223k Instagram reach; 727,226 FB reach and over 86,000 engagement on twitter
  - j. 4 of the products landed at WGSN cover (September edition), a reputable and trend forecasting authority, that all designers, curators, and the like, follow. Also, some of the products featured in MOM were selected by some notable trend experts and influencers.
5. FAME+ (fameplus) went live on 15 October 2020 and was launched on 22 October 2020, wherein 262 visitors and 20 press in attendance.
6. 204 exhibitors registered in the site, 171 were onboarded / approved and 98 have uploaded their respective photo products. On buyers count, a total of 508 registered where 175 foreign and 333 local.
7. The Board asked should there any challenges that CITEM encountered in implementing the digital platform projects. ED Pauline replied:
  - a. digitization of the FAME+ team and the rest of the CITEM workforce was the first challenge. Thus, during the lockdown (ECQ and MECQ), while observing a WFH or blended scheduled, the CITEM workforce were required to undertake digitization related webinars and e-trainings, in preparation of the digitization effort of the organization, so that everyone shall be on the same page.
  - b. Most of the exhibitors in Manila FAME are seasoned in promoting their export products through onsite exhibits and are digital immigrants. They were the most difficult to convince to have their presence online. It was quite a challenge for them to be onboarded in the FAME+ website. It was in the later part they realized that content building with stories on their products are best ways to promote online.
  - c. Providing continuous capacity building to FAME+ exhibitors. For instance, CITEM partnered with CANVA to give a talk on how to take advantage social media in promoting the exhibitors' products. Also, CITEM engaged speakers from WGSN, a reputable trend setting company, to talk about trends and best practices that will help exporters in their business.



- 200 8. On CAEXPO participation, the event will be on 27-30 November 2020. The CAEXPO organizer  
201 advised CITEM that a 14-day quarantine shall be imposed to travelers from the Philippines. Thus, the  
202 CAEXPO secretariat further recommended that PH participating companies shall preferably from  
203 those with existing subsidiaries or consolidators in China.  
204
- 205 9. On Digital initiatives, CITEM is currently procuring websites for the following: FoodPhilippines, IFEX  
206 NxtFood Asia, SSX and Create Philippines projects.  
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208 "RESOLVED, that the Executive Director's Report, being in  
209 order, is hereby NOTED.

210 **Res. No. BM 2020-10-05**

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212 "RESOLVED, that the CITEM Board is extending to  
213 Management its congratulations and commendable effort in  
214 the recent launch of FAME+  
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216 **Res. No. BM 2020-10-06**

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218 **5. AUTHORITY TO NEGOTIATE AND PROPOSE 2021 CITEM PERFORMANCE SCORECARDS**  
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- 220 1. Pursuant to GCG Memorandum 2013-02, dated 24 June 2014, the State through the Governance  
221 Commission for GOCCs (GCG) shall institutionalize a Performance Evaluation System across all  
222 corporation agencies, that will provide framework for setting the organizational targets of a GOCC.  
223
- 224 2. The Performance Agreement shall include among others, strategy map, performance scorecards with  
225 corresponding weights and importance, strategic measures and others. That further, performance  
226 targets for each measure shall be complemented with necessary funding requirements from the  
227 Corporate Operating budget submitted to the DBM in compliance with the annual corporate budget  
228 call.  
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- 230 3. That the Performance Agreement, conducted annually, shall be entered into between the GOCC, as  
231 represented by its Governing Board, and the State, as represented by the GCG.  
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- 233 4. Presently, CITEM is in the preparation of finalizing measures and targets to be committed for 2021 to  
234 the GCG, taking into consideration of subsidy budgets that are pending in Congress and post COVID  
235 factors.  
236
- 237 5. Thus, to request approval from the Board to grant CITEM Management authority to propose and  
238 negotiate 2021 Performance scorecard and targets
- 239 6. Having no further comments,

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241 "RESOLVED, that the grant of authority to propose and negotiate with  
242 the Governance Commission its 2021 Performance Scorecard, being  
243 in order, is hereby APPROVED"

244 **(Res. No. BM 2020-08-07)**

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246 "RESOLVED FURTHER, that CITEM is given continuing authority to  
247 represent the Board on renegotiation, readjustment and recalibration  
248 of its Performance scorecard, if necessary.

249 **(Res. No. BM 2020-08-08)**

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251 **6. APPROVAL ON THE GRANT OF ENERCON INCENTIVE FOR THE FY2019**  
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- 253 1. The Department of Trade and Industry has instituted an energy conservation program under the  
254 Government Energy Management Program (GEMP) pursuant to Administrative Order Nos. 103, 110,  
255 110-A, 126 and 183 and its implementing rules and regulations formulated by DOE and DBM dated May  
256 30, 2008. Administrative Order No. 228 dated June 2, 2008 was issued reiterating the energy  
257 conservation measures contained under said existing issuances.  
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- 259 2. Prior to the issuance of A.O. 228, the President in a memo dated May 31, 2008, authorized government  
260 agencies to use all savings under MOOE i.e., from electricity and fuel to fund the grant of transportation  
261 and rice subsidy to their employees.



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3. DBM Circular Letter No. 2008-9 sets the guidelines implementing Administrative Order No. 228 and the President's Directive dated 31 May 2008 on the use of savings generated under GEMP, among which are items 3.5.1.4 Citations of Recognitions, 3.5.2 Transportation Subsidy and 3.5.3 Rice Subsidy.
  4. Pursuant to DBM Circular Letter No. 2008-9, mandating the certification process of energy saved by a government agency, the Energy Audit Team – Department of Energy (DOE-EAT) has certified that the Center for International Trade Expositions and Missions (CITEM) has saved 284,871.96 kilowatt – hours for the year 2019; equivalent to PHP 2,771,096.71.
  5. Further, CITEM has obligated and recorded Php 2,831,825.48 in the books of accounts in 2019 to cover the estimated ENERCON Savings generated for FY 2019.
  6. The CITEM Energy Conservation Team has recommended the use of savings as incentives for personnel who contributed to the implementation of GEMP for the efficient use of electricity without interruption or adverse effect on services to CITEM clients.
  7. After satisfying all conditions under DBM Circular Letter No. 2008-9, the Management recommends to the Board the grant of ENERCON incentive for FY2019 to all qualified employees amounting to 2,771,096.71. The amount of incentive per employee shall be computed based on the length of service rendered by the employee for the year when the savings were realized. The grant shall be in the form of gift certificate.
  8. Having no further comments,

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"RESOLVED, that request to grant the ENERCON INCENTIVE FY2019 to CITEM Employees pursuant to AO 228 in relation to DBM Circular Letter No. 2008-09 s. 2008, being in order, is hereby APPROVED"

(Res. No. BM 2020-08-09)

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7. **RATIFICATION OF ACTS OF MANAGEMENT (Sept-Oct 2020)**

1. As a Policy, contracts executed by Management with considerations PHP1M and above shall be presented to the Board for Ratification.
2. 5 Contracts, duly executed by Management with amounts PHP1M and above, for the period Sept-October 2020, were presented for Ratification. These Contract observed the process of public bidding in accordance with RA 9184.
3. The Board, resolved:
4. Having no more comments—

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"RESOLVED, that the ACTS OF MANAGEMENT executed from September-October 2020, being in order, is hereby RATIFIED"

(Res. No. BM 2020-10-10)

8. **ADJOURNMENT**

Prepared by:

  
**ATTY. ANNA GRACE I. MARPURI**  
Corporate Secretary