

MINUTES OF THE CITEM BOARD OF GOVERNORS' MEETING
9th REGULAR BOARD MEETING
18 December 2020, 930AM-12Noon
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

CITEM OFFICERS

Ma. Lourdes D. Mediran
Deputy Executive Director

Charles Aames Baustista
Department Manager, CCSD

Rowena Mendoza
OIC DM, OG2

A. Grace I. Marpuri
Corporate Secretary

Florence Buensalido
HRD Chief

Wilma Dulay
Budget, Chief

Jewel Udarbe
Corporate Planning Division, ADC

Malema C. Buyao
Controllership, Chief

Romina Aurea Magno
Corporate Planning Division, Chief

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 7 December 2020.

II. APPROVAL OF THE PREVIOUS MEETING (27 OCTOBER 2020)

1. Discussion of the Summary of Actions taken from the previous meeting:

MATTERS APPROVED BY THE BOARD

Authority to negotiate and propose CITEM'S 2021
Performance Scorecard with the GCG

**CITEM Management attended
the GCG Technical Panel
Meeting last 20 November
2020 representing the CITEM
Board**

Grant of Enercon Incentive to CITEM Employees

APPROVED



Ratification of 5 Contracts with amounts PHP1M and above (all observed the process of Procurement in accordance with RA 9184)

RATIFIED
Reported and Submitted to the COA

COMMITTEE REPORT

Financial Report for the 3Q 2020

57% actual BUR recorded, but CITEM has an ongoing procurement of remaining requirements amounting to PHP 108M

Status on the Hiring and Promotion of Applicants

2 newly hired in November
7 Permanent Positions were published on 23 October
Ongoing recruitment process

ISO Remote Audit for 2020

CITEM PASSED the ISO 9001-2015 Recertification Audit conducted last 25 November 2020

FOR INFORMATION OF THE BOARD

1. Implementation of 2 Digital Initiaves (MOM Participation and Launch of FAME+

REPORTED BY THE EXECUTIVE DIRECTOR

MATTERS ARISING (TO BE PRESENTED IN THE NEXT BOARD MEETING)

Demographics and analytics of users and stakeholders visting the FAME+ website

TO BE PRESENTED

Presentation of the 2021 Proposed CITEM Scorecard

2. Having no further comments—

"RESOLVED, that the Minutes of the Previous 27 October 2020 Virtual Board Meeting, being in order, is hereby APPROVED.

"RESOLVED, that the Summary of Actions from the Previous 27 October 2020 Virtual Board Meeting, being in order, is hereby APPROVED.

Res. No. BM 2020-12-01

III. EXECUTIVE DIRECTOR'S REPORT

1. Following the 27 October 2020 Board Meeting, the Executive Director's report is on the demographics and analytics of users. stakeholders visiting the FAME+ site.
2. CITEM at present is focused on 2 sets of data sources: Google Analytics and CRM (Customer Relationship Management) to measure performance of FAME+ and other promotional platforms:
 - a. Google Analytics show information on the traffic the website gets: how they got here, demographics, where they're visiting from, how much time they spent with us, which pieces of content they're consuming. Initial data is available and will be presented in the succeeding slides.
 - b. CRM is an approach that helps businesses improve existing customer relationships and acquire new customers faster. Though in the process of setting the CRM, Operations, CCSD and MIS are currently undergoing training and the Marketing Cloud is being set-up.
3. Since the launch of FAME+ in October - 14 December 2020, notable observations are:
 - a. 20,481 sessions occurred from October 1 to December 14, 2020.

- b. 12,758 were individual users, and 12,779 of these were first-time visitors to the website.
- c. On average, visitors remained on the site for 4 mins 29 seconds, viewing 5.19 pages per session, with a bounce rate of 49.16% and total page views of 106,269.
- d. Top countries visited the site were -- PH, US, India, Japan, Singapore, UK, China , Australia, HongKong and South Korea.
- e. Initial users of FAME+ belong to 25-34 age bracket; followed by 35-44 age bracket, and 55-64 age bracket. This wide range of visitors to fameplus.com show that the website appealed to the young and old audiences.
- f. 61% of website visitors were male versus female at 38.4%.
- g. Direct traffic (or website visits that arrived on fameplus.com either by typing fameplus.com into a browser or through browser bookmarks) accounted for 49.5%.
- h. Organic Search (or which refers to traffic from the search engines or people typing in specific keywords at Google, Yahoo, etc.) came in third at 7.8%. This type of traffic can be enhanced in the coming months as FAME+ looks forward to the influx of new content streams.
4. Referral traffic (a recommendation from one website to another) and email marketing were the other traffic sources for FAME+.
5. While referral channel sites are from social media channels -- FB, Instagram. Instagram stories, Twitter, LinkedIn, Pinterest and Wordpress.
6. FAME+ visitors clicked the B2B feature -- a total of 1,031 visitors who landed at the Business Matching page, 755 of which on the general landing page (business matching), with the rest contacting the individual companies.
7. On building the CITEM CRM , it will help its Operations group and CCSD to:
- a. ANALYZE - Listen to your customers, gain insights and track performance across global brands
- b. ENGAGE - Connect with customers and prospects at scale to nurture community and provide customer service
- c. PUBLISH - Plan, collaborate and execute social campaigns across teams, brands and geographies
- d. Create dynamic and personalized emails with simple drag-and-drop tools
- e. Send promotional, transactional, triggered messages with drag-and-drop audience segmentation tools
- f. Scale and automate all interactions with customers
- g. Track, test and optimize emails to drag performance.
- h. Build and Automate personalized interactions across email, web, advertising and mobile.
- i. Trigger a journey with key customer events - i.e. exhibitor or buyer registration, click request for quotation, click B2B.
- j. Test multiple variations of content, channel, timing and frequency.
8. Once the CRM is in full circle to CITEM, it can offer a unique customer journey at massive scale.
9. On the Data utilization framework -- ATTRACT -- CONVERT- NURTURE, it aims on how to make the data actionable. It is a content marketing buyer journey or sales funnel that takes as many leads as possible through a content flow and converts them into actual customers.
10. On the DATA UTILIZATION STRATEGY, CITEM has to
- a. Manage interactions with customers and potential customers.
- b. Build customer relationships
- c. Streamline processes and increase productivity
- d. Improve customer/stakeholder service (lead generation, conversion rate optimization, affiliate marketing)
- e. Increase accuracy and volume of business matching opportunities
- f. scale the reach and engagement of PH products globally
11. Having no further comments ---

"RESOLVED, that the Executive Director's Report, on the initial Google analytics visiting the FAME+ site, is hereby NOTED.

Res. No. BM 2020-12-02

IV. 2019 VALIDATED PERFORMANCE SCORECARD

1. The Board was informed that for 2019 Performance Evaluation, CITEM received a GCG validated score of ----.
2. It was noted that CITEM was given zero point on the Learning and Growth thrust. However, CITEM made an appeal and reconsideration to GCG, that some factors and documentations were not considered for appreciation. Thus, if the appeal will be favorable, a 10% point shall be added to the validated score.
3. Having no comments --
"RESOLVED, that the 2019 Validated Performance Scorecard and CITEM Commitments, being in order, is hereby NOTED"
(Res. No. BM 2020-12-03)

"RESOLVED FURHTER, that an appeal/reconsideration to the GCG in one of the 2019 PES strategic measures under the Learning and Growth for the, being in order, is hereby NOTED"
(Res. No. BM 2020-12-04)

V. RECALIBRATED CITEM 2020 PERFORMANCE SCORECARD (PES)

1. The Governance Commission for Government-Owned or Controlled Corporations (GCG) transmitted CITEM's FY2020 Performance Scorecard through a letter dated 18 March 2020.
2. With the health and safety risks brought about by the Covid-19 pandemic, CITEM cancelled or deferred the 2020 work program projects: Foodex Japan, South by South West, Food Hotel Asia, Fuorisalone at Milan Design Week, Taipei International Food Show, Summer Fancy Food Show, SIAL Middle East, Interior Lifestyle China, INDEX Dubai, Maison&Objet, SIAL Paris and Nordic Organic Food Fair.
3. Likewise, the mounting of physical Signature/ Local event in Manila were deferred by CITEM with the approval of the CITEM Board of Governors during its 20 March 2020 and 27 May 2020 Board Meetings.
4. Majority of the Strategic Measures in CITEM's FY2020 Performance Scorecard have been considered **not achievable**. The cancellation of CITEM projects have negatively affected the agency's performance for FY2020. For CITEM's FY2020 Annual performance, CITEM is expecting to achieve only a **52.89%** rating vs targets due to cancelled 2nd and 3rd quarter local events and overseas trade fair (OTF) participations and due to expected low turnout for the remaining local and international shows for 4Q2020
5. The CITEM Board authorized CITEM to renegotiate and present modified FY 2020 Performance Scorecard with the GCG:
 - a. Evaluate only Applicable Strategic Measures (SMs) not affected by Event Cancellations (I.E. SM2, SM5, SM8, SM9, SM10)
 - b. Non-evaluation for SMs affected by Event Cancellations (i.e., SM3, SM7)
 - c. For all other targets, reduce targets drastically affected by Event Cancellations (i.e., SM1, SM4, SM6).
6. In reference to GCG Notice to Stakeholders dated 4 September 2020 and in consideration of the severely negative impact of the COVID-19 pandemic on CITEM operations and stakeholders and on the larger global travel and exhibition/expo industry under which CITEM operates, CITEM requested for the recalibration of CITEM's 2020 targets in its 2020 Performance Scorecard.
7. The Strategic Measures were requested to be cancelled in the original 2020 Performance Scorecard: SM3a, SM3b and SM7 while the following SMs were proposed for change in weight: SM5 and SM9. This recalibrated 2020 Performance Scorecard was submitted to GCG on 1 October 2020
8. Having no further comments--

"RESOLVED, that the 2020 Recalibrated Performance Scorecard and CITEM Commitments, being in order, is hereby APPROVED"
(Res. No. BM 2020-12-04)

VI. 2021 PERFORMANCE EVALUATION SCORECARD

1. CITEM Management decided to incorporate a more inclusive growth framework for SMEs in the 2017-2023 Strategy Map. CITEM envisions that by 2023 CITEM is a globally recognized export promotion agency that is well-reputed for bringing the best the Philippines has to offer in the priority markets indicated by the Philippine government. The theme for the 2017-2023 Strategy Map is **I CaRe: Innovate. Capacitate. Resonate.**
2. CITEM submitted its proposed FY 2021 PES on 30 October 2020. For FY2021, the proposed Strategic Objectives and Strategic Measures in CITEM's PES aim to capture CITEM's efforts across the 4 pillars of Finance, Stakeholder/Social Impact, Internal Process, and Human Resource Development.
3. The proposed CITEM FY 2021 Performance Evaluation System (PES) has no change in its Charter Statement - Vision, Mission and Core Values (VMV) as compared to the 2020 Charter Statement. However, priority markets are identified in FY2021 as follows: for Food and Beverage (F&B) sector—Europe, China, Japan, ASEAN and Middle East while priority markets for Home and Fashion Lifestyle (HFL) are US, East Asia, Japan, China and European Union.
4. The significant changes from previous versions of the PES highlight more focus on CITEM's socio-economic impact on its stakeholders (which are primarily the exporting SMEs), on the agency's content marketing and digitalization initiatives, and increasingly on the creative sector through its various Programs, Activities, Projects (PAPs).
5. For the most part of the proposed scorecard, CITEM intends to capture its efforts in helping its stakeholders digitalize in response to the 'new normal' brought about by the COVID-19 pandemic through its digital initiatives
6. For its 2021 Strategy Map, CITEM included the following new Strategic Measures: a) Number of Trade Buyers Registered in DIGITAL/ONLINE PLATFORMS and b) Number of Website visitors (to reflect content Marketing Impact) under the Strategic Objective Increase Stakeholder Awareness; c) Number of companies assisted through Export dCoaching Programs and d) Number of SMEs Onboarded into Digital Trade Platforms under the new Strategic Objective Accelerate the Growth and Development of SMEs; e) Number of Creative Goods Promoted under the new Strategic Objective Support the Growth and Development of the Creative Economy; f) Completion of the ISSP commitments for FY2021 (under the ISSP FY 2021-2023 related to export promotion) under the Strategic Objective Institutionalize Measures to Enhance Systems and Processes in Export Promotion, including the Development of a Robust Digital Promotion Structure; and, g) Completion of the ISSP commitments FY2021 related to internal processes under the new Strategic Objective Implement Measures to Streamline and Automate Internal Processes.
7. Details of the CITEM-proposed FY2021 PES including the proposed targets for each Strategic Measure were discussed during the Technical Panel Meeting (TPM) with GCG held on 20 November 2020.
8. Having no further comments--

"RESOLVED, that the 2021 Performance Scorecard and CITEM Commitments, being in order, is hereby APPROVED"
(Res. No. BM 2020-12-05)

"RESOLVED, that the CITEM Management is hereby authorized to sign, negotiate, renegotiate if necessary, on the 2021 Performance Scorecard"
(Res. No. BM 2020-12-06)

VII. SUSPENSION ON THE IMPLEMENTATION OF SUBSIDY GRADUATION POLICY FOR TWO YEARS FROM 2021 TO 2022

1. Subsidy Graduation Policy or SGP was developed in 2017 by CITEM following the direction of the Governance Commission for Government-Owned and Controlled Corporation (GCG).

2. The crafted 2017 SGP was subsequently approved in 2018 by the CITEM Board with the following criteria and company graduation milestones:

CRITERIA	Tier 3	Tier 2	Tier 1
Time Element (Number of years participating in CITEM Signature Events)		Minimum of 3 Years	Minimum of 6 years
Asset Value (Classification these companies are Small, Medium or Large Enterprise)	< P 15M (Small)	P 15M - P 100M (Medium)	> P 100M (Large)
Exported Sales Generated (Export sales generated during CITEM's Signature Event)		USD 50,000 (P 25M)	USD 200,000 (P 10M)
Certifications Acquired (Level of capability and adherence to international requirements and standards)	Local Certification (PH-FDA, AFTI, etc.)	General Internal Certifications (GMP, HACCP, etc.)	Specialized and Market-specific Certifications (Kosher, Halal, ISO 21000, etc.)

3. The SGP guidelines were initially rolled-out (i.e., information, education, and communication) in 2018 among the Business Support Organizations (BSOs) for Manila FAME and International Food Exposition (IFEX) NXTFOOD Asia.
4. CITEM continued with the roll-out of the policy guidelines in Manila FAME April and IFEX PH in May 2019 and conducted consultations with stakeholders in 1H2019. In July 2019, the CITEM Technical Working Group (TWG) recommended a new Matrix of Calculation for the Subsidy Graduation for Exhibitors to reflect refinements in the policy based on the results of the roll out and stakeholder consultations.
5. Thereafter the Board approved said recommendations and the new Matrix of Calculations was first applied with the participant-exhibitors of Manila FAME in October 2019 under a partial implementation of the policy. Further, baseline data for 2018 was calculated for Manila FAME exhibitors, which was pre-requisite and necessary in evaluating participating exhibitors under the partial implementation of the policy.
6. CITEM intended to continue with the implementation of SGP in 2020 for its Signature Events. However, the SGP was non-implementable in FY2020 due to the cancellation of its Signature Events due to the restrictions and various negative impacts of the COVID-19 pandemic.
7. Due to the community quarantine and travel restrictions imposed during the pandemic, many industries and businesses worldwide were negatively impacted including employment, business revenues, and income.
8. COVID-19 pandemic's adverse effects on Philippine SMEs/Exporters and with this, CITEM endeavors to help the SMEs/Exporters recover and get back on track on their business activities by way of giving economic relief and support as they traverse the difficulties and uncertainties in the next few years.
9. The implementation of the SGP which is expected to reduce the participation fee subsidy of 'graduating' SMEs/Exporters participating in CITEM events will provide additional burden at this time when most if not all are still reeling from the negative economic impacts of the COVID-19 pandemic.

10. Having no further discussion ---

"RESOLVED, that SUSPENSION OF THE PREVIOUSLY
APPROVED SUBSIDY GRADUATION POLICY, being in order, is
hereby APPROVED"

(Res. No. BM 2020-12-07)

VIII. MARKETING PLAN 2021

1. That on 21 November 2020, during the Technical Panel Meeting with the GCG, CITEM presented its 2021 Proposed Performance Evaluation reflecting the mandatory 4 pillar thrusts—(1) Finance (2) Stakeholder (3) Internal Process (4) Learning and Growth.
2. One of the measures under the Stakeholder thrust, CITEM committed— INCREASE THE NUMBER OF VISITORS IN THE WEBSITE. This measure is also one of the means to capture the performance of the website as a tool to bring people in and engage.
3. Further, CITEM committed to GCG that it can engage 156,000 visitors to visit its websites – FAME+ and other websites to be built in 2021.
4. That during the technical panel meeting, Parties (GCG and CITEM), both agreed, as one of the validating documents for this commitment, to submit a 2021 MARKETING PLAN, that will likewise reflect the marketing initiative of CITEM for its stakeholders.
5. The Board commented to include the following in the Marketing Plan –
 - a. Medium Term Marketing Plan to complement the digital promotion efforts of CITEM
 - b. Marketing Plan for the Halal Food sector
6. Having no further comments,

"RESOLVED, that the 2021 MARKETING PLAN presented to the
Board, being in order is hereby APPROVED.

(Res. No. BM 2020-12-08)

IX. PROPOSED 2021 BOARD CALENDAR

1. CITEM, as a corporate entity, shall discharge its corporate affairs through its Governing Board. Likewise, the policy making powers and corporate conduct shall emanate from the Governing Board, as mandated by EO 989 s. 1984.
2. Based on the 2019 GCG attendance report, the GCG mandated the CITEM Board to conduct more regular meetings and constitute committees as required under GCG Memorandum Circular NO. 2012-07 s. 2012 (see attached).
3. Prior to the release of the attendance report and directive from the GCG, CITEM was able to address this matter, wherein the CITEM Board , based on records were able to conduct meetings regularly as a Governing Body for FY 2020:

2019	2020
3 Board Meetings 0 Committee Meetings	9 Board Meetings 12 Committee Meetings
	<ul style="list-style-type: none">• 17 January• 17 January• 20 March• 27 May• 24 July• 28 August• 27 October• 18 December
	<ul style="list-style-type: none">• 3 Executive Meetings• 5 Risk and Audit Meetings• 4 Governance Meetings

- 370 4. Henceforth, in order to meet regularly and comply with the required meetings, CITEM
371 Management is proposing to the Board the FY 2021 calendar committee and regular meetings:

372 Committee Meetings

- 373 a. At least 2 Governance Meetings
374 b. At least 4 Risk and Audit Meetings
375 Board Meetings – At least 6 meetings in a year (every 2 months)
376

- 377 5. Having no further comments,

378
379 “RESOLVED, that PROPOSED CITEM BOARD CALENDAR, being
380 in order is hereby APPROVED”
381

382 (Res. No. BM 2020-12-12)
383

384 **X. RATIFICATION OF ACTS OF MANAGEMENT (October – 15 December 2020)**
385

- 386 1. As a Policy, contracts executed by Management with considerations PHP1M and above shall be
387 presented to the Board for Ratification.
388
389 2. 5 Contracts, duly executed by Management with amounts PHP1M and above, for the period October
390 - December 2020, were presented for Ratification. These Contract observed the process of public
391 bidding in accordance with RA 9184.
392
393 3. The Board, resolved:

394
395 “RESOLVED, that the ACTS OF MANAGEMENT executed from 24
396 October - December 2020, being in order, is hereby RATIFIED
397 (Res. No. BM 2020-12-09)
398
399

400 **XI. CITEM CORPORATE SOCIAL RESPONSIBILITY FOR 2020**
401

- 402 1. CITEM sees the obligation to undertake social responsibility activities as one of the means to give
403 impact and provide social purpose to its stakeholders.
404
405 2. The Provinces of Albay and Cagayan were severely hit by super typhoon Rolly last 01 November
406 2020, which these provinces were declared under the state of calamity due to the damage on the
407 infrastructure, agriculture and vital livelihood.
408
409 3. Handloom weaving communities from the province of Albay and the Cagayan small food sector
410 communities that are part of the export manufacturing chain of the Manila FAME and IFEX
411 exhibitors , which were not spared from the typhoon.
412
413 4. Majority of the livelihood and economic activities of the microenterprises were heavily affected. To
414 help or assist our stakeholders, it is necessary to help these communities rebuild their tools and
415 equipment and capacitate them to fully support our exhibitors.
416
417 5. CITEM Management, through the assistance and help of DTI Provincial Offices of Cagayan and
418 Albay, will extend financial assistance to identified MSMEs in the form of cash donation of
419 PHP700T , (PHP400 and PHP300 for Albay and Cagayan , respectively) purposely to purchase
420 new equipment and material supplies .
421
422 6. Having no further comments –

423
424 “RESOLVED, that the grant of PHP700 THOUSAND PESOS grant
425 to the artisan communities from the Provinces of Albay and Cagayan
426 from the Home and Food Sectors vetted by respective DTI Provincial
427 Offices, affected by typhoon Ulysses and Rolly, being in order is
428 hereby APPROVED.
429

RESOLVED FURTHER, that the amount is intended to help the artisan communities purchase tools, equipment, and materials needed in their respective crafts.

(Res. No. BM 2020-12-10)

XII. CITEM BRAND AMBASSADOR TO CHINA PROJECTS

1. The Board inquired on the milestones and achievements of Mr. Tan to merit the appointment as the CITEM Ambassador for CHINA projects
2. As discussed, Mr. Tan gave his efforts in helping the DTI Trade Foreign Service Posts and his value include among others—
 - a. During CIFIT 2020 in Xiamen, Fujian Province, Mr. Raymond Tan assisted them during the fair. He was there from start to finish of CIFIT 2020. He personally translated for STR JP Inigo and promoted the Philippines to possible Investors. He would also call and invite his Investor friends to go and visit the Philippine National Pavilion as well as attend the Philippine Investment Forum.
 - b. Unselfishly contributed his time and personal resources as he provided a Vehicle and a Driver for them during the duration of CIFIT. He did this without asking for anything in return.
 - c. In one of the projects in Shanghai, Mr. Tan helped promote the Philippines in CIIE. Again, without any expense or expectations from DTI, he flew in and will stay for the duration of CIIE to augment the Interpreters in CIIE. He can only guess that he is doing this for love of the Philippines.
 - d. Mr. Tan's location in Xiamen is ideal as it does not have a 24/7 DTI Officer and if necessary, we will ask Mr. Tan to assist us implement various Trade and Promotion Activities in Xiamen for the remaining months of 2020 and 2021.
3. Mr. Raymond Tan, out of altruism, can an asset to CITEM and to the DTI. It can be a leverage to use his enthusiasm, contacts and generosity to assist the Posts in promoting the Philippines in China.
4. The Board take note of the contribution; however, the designation shall be treated with prudence and confidentiality.
5. Having no further comments –

"RESOLVED, that the MR. RAYMOND TAN, is hereby conferred by the CITEM BOARD OF GOVERNORS as the CITEM Brand Ambassador for CHINA overseas Projects

(Res. No. BM 2020-12-11)

18 December 2020. Pasay City, Philippines.

XIII. ADJOURNMENT

Prepared by:


ATTY. ANNA GRACE I. MARPURI
Corporate Secretary