

1 **MINUTES OF THE CITEM BOARD OF GOVERNORS' MEETING**

2  
3 28 November 2019  
4 OED Conference Room, CITEM  
5 GSP Pavillon, Sen. Gil Puyat Ave. cor Roxas Blvd. Pasay City  
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7 **IN ATTENDANCE:**

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9 **Alternate Chairman**

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11 Abdulgani M. Macatoman  
12 Undersecretary for Trade Promotions Group (TPG)  
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14 **Board Members**

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16 Mr. Thomas Benjamin B. Marcelo  
17 Bangko Sentral ng Pilipinas

18 Ms. Paulina Suaco-Juan  
19 CITEM

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

22 Ms. Maria Mercedes G. Yacapin  
23 National Food Authority

24 **CITEM Officials**

25 Ms. Ma. Lourdes D. Mediran  
26 Deputy Executive Director

27 Atty. Anna Grace I. Marpuri  
28 Corporate Board Secretary

29 Katrina C. Pineda  
30 Head, Business Development Unit

31 Wilma G. Dulay  
32 Chief, Budget & Cash Division

33 Jewel H. Udarbe  
34 Planning Officer IV

35 Malerna Buyao  
36 Division Chief, Controllership

37 Florence Pearl M. Buensalido  
38 Chief, HRD

39 **I. CALL TO ORDER AND DETERMINATION OF EXISTENCE OF QUORUM**

- 40 1. The Corporate Board Secretary determined the existence of a quorum  
41 2. The Alternate Chairman called the meeting to order at 10am.

42 **II. APPROVAL AND ADOPTION OF THE AGENDA**

43 **III. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**

44 **IV. MATTERS ARISING FROM THE PREVIOUS MEETING**

- 45 1. The Corporate Board Secretary summarized the Minutes of the 16 August 2019 Board Meeting;  
46 matters arising the previous meeting; and actions taken by CITEM:

47 APPROVED BY THE BOARD

- 48 A. Proposed 2020 Projects with a Budget of PHP214.512M  
49 2 Signature Events (MFO AND CREATEPH)  
50 21 Overseas Trade Fairs  
51 Green Food Asia ( Food show in Manila )

- 52 B. Revised Medium Term Exhibitors Development Plan  
53 C. Graduation Subsidy Policy -- Matrix of Calculation  
54 D. Ratification of 33 Contracts for the period 18 November 2018 - 31 July 2019

55 DEFERRED

- 56 A. Authority to charge Creative Services rates and Management Fee

- 57 2. The Board, having no more comments and discussion, motioned and seconded:  
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65 "RESOLVED, that the Minutes of the Previous 16  
66 August 2019 Meeting, being in order, is hereby  
67 APPROVED.

(Res. No. BM 2019-11-01)

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70 RESOLVED, that the Matters arising from the  
71 previous 16 August 2019 Board Meeting, is hereby  
72 NOTED.

(Res. No. BM 2019-11-02)

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75 **V. EXECUTIVE DIRECTOR'S 2019 ACCOMPLISHMENT REPORT**

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77 1. Executive Director Paulina Suaco-Juan reported on CITEM's January-November 2019  
78 Accomplishments:

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80 *4 Signature Events*

- 81 a. 69<sup>th</sup> Manila FAME at World Trade Center Metro Manila on 19-21 April 2019  
82 b. 13<sup>th</sup> IFEX Philippines at World Trade Center Metro Manila on 24-26 May 2019  
83 c. 3<sup>rd</sup> Create Philippines on September 2019  
84 d. 70<sup>th</sup> Manila FAME on October 17-19, 2019

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86 *14 Overseas Trade Fairs*

- 87 a. Ambiente in Frankfurt, Germany  
88 b. Project Womens in Las Vegas, USA  
89 c. Winter Fancy Food Show in San Francisco, USA  
90 d. Gulfood in Dubai, UAE  
91 e. Foodex in Chiba, Japan  
92 f. Taipei International Food Show in Taipei, Taiwan  
93 g. Summer Fancy Food Show in New York, USA  
94 h. MIHAS in Kuala Lumpur, Malaysia  
95 i. Maison & Objet in Paris, France  
96 j. Index Dubai in the UAE  
97 k. Premiere Classe in Paris France  
98 l. 16<sup>th</sup> CAEXPO in Nanning China  
99 m. Anuga in Cologne , Germany  
100 n. China International Import Expo in Shanghai, China

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102 2. The remaining project for the year is SIAL Abu Dhabi on 9-11 December 2019, timed with the  
103 launching of the upcoming participation of the Philippines in the Dubai 2020 Expo.

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105 3. In the implementation of signature and overseas trade fairs, CITEM has accomplished and  
106 generated the following:

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108 a. 1,532 assisted companies (local SMEs), 115% of target  
109 b. 5,998 local and foreign buyers,  
110 c. PHP 254.549M domestic sales, or 49% of target  
111 d. USD 555.83M export sales, 165% of target  
112 e. 10,005 both foreign and local trade buyers connected  
113 f. 17,463 trade inquiries

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115 4. The Board was likewise informed that while CITEM is completing its 2019 projects, it has  
116 commenced parallel prework for its 1Q 2020 overseas projects:

- 117 a. Ambiente in Frankfurt,  
118 b. Biofach in Nuremberg Germany  
119 c. Chococo Chocolate Festival and Business Events in Amsterdam, Netherlands  
120 d. Gulfood in UAE  
121 e. Food Hotel Asia in Singapore  
122 f. Foodex in Japan  
123 g. South by Southwest in Austin Texas, USA

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125 5. Preparation of the Philippines Participation in the Dubai 2020 Expo was reported to the Board, in  
126 summary:

- 127 a. The DTI was the designated Chairman and Commissioner General of the Philippines  
128 Expo Task Force. Other members of the Expo task force are DOT, DFA, DOST, DENR  
129 and others;

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- b. CITEM is task to head the Trade Exhibitions component of the Expo, while other DTI agencies--Export Marketing Bureau, Board of Investment, shall be responsible for the Business events and investment missions, respectively;
  - c. The Philippines participation in the Expo 2020 Dubai is through the creative direction of its engaged Creative Team Arch. Royal Pineda and Ms. Marian Pastor Rocas.
  - d. The Philippines Pavillon, under the sustainability theme –BANGKOTA, an ancient tagalog word for “coral reef”. It was explained that the Philippines is a coral reef, where the Filipinos are polyps that grow into colonies spread out all over the world, connected by travel, migration and technology.
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6. Executive Director Suaco-Juan likewise reported that CITEM will have its maiden signature event in May 2020—the Sustainability Solutions Expo. This project was previously named as Green Food Asia, also duly approved by the Board in the last Board Meeting (16 August).
  7. The Sustainability Expo is intended to be a biennial global expo and conference featuring a diverse range of sustainable solutions on food production and packaging, as well as eco-friendly products and allied services, to address requirements for a sustainable environment and responsible consumption
  8. It is also a key B2B converging place of leading international organizations, influential figures of the green industry, and key player in the food and health and wellness sectors.
  9. The objectives of the Sustainability Solutions Expo are as follows:
    - a. To access and take advantage of the USD 9.5 Trillion food and beverages market; the USD 3 Trillion global market for environmental goods, and the USD 400-800 Billion LOHAS market.
    - b. To present and offer sustainable food manufacturing solutions, products, and services to increase productivity, efficiency and optimize their market potentials
    - c. To encourage and support innovation
    - d. To provide a environmentally responsible trade platform that will enable the food industry key players increase their participation in the global value chain
  10. Ms. Yacapin and the rest of the Board Members gave appreciation to CITEM's tedious and extensive effort in putting up a good trade exhibition platform for the key export players, designers, LGUs, counterpart agencies and to the MSMEs; delivering tangible and measurable results, and delivering quality service expected from a government.
  11. Undersecretary Macatoman also commented that despite of the good performance results by CITEM, it is unfortunate that its Board Members have not yet given an opportunity to visit one of its overseas trade participation. Through this learning, Board members can fully appreciate the mandate of CITEM, and how policies and projects are executed and implemented.
  12. It is proposed to the body, that if any by chance, CITEM is encouraged to consider inviting the members of the Board to visit one of its overseas trade participations. The idea was welcomed by the Board.
  13. Ms Yacapin further shared to the body that that she is a frequent visitor of both IFEX and Manila FAME. In one of her visits to MFame, she met one of the world-renowned designers, Kenneth Cobonpue. Likewise, she was able to talk to one of CITEM's engaged creative director, Detlef Klatt. An industry exposure is a much welcomed approach, giving the principals of a government corporation new learnings and appreciation that will help them craft policies.
  14. Likewise, CITEM proposed to organize an out of town Board Meeting cum industry exposure for appreciation and to get to know more the CITEM direct stakeholders.
  15. Undersecretary Macatorman further commented that since CITEM delivered good results for 2019, its workforce should be likewise rewarded or be given incentives, in accordance however, with applicable government rules and regulations.
  16. The Board, having no more comments and discussion, motioned and seconded:

“RESOLVED, that the Executive Director's Report for the FIRST SEMESTER 2019 Accomplishment Report is hereby NOTED.”

(Res. No. BM 2019-06-03)

RESOLVED, CITEM Management is given commendation and appreciation in delivering projects; tangible outputs and for successfully implementing approved projects that are of international standards.

(Res. No. BM 2019-06-04)

## VI. CITEM 2019 JANUARY – OCTOBER 2019 FINANCIAL REPORT

1. CITEM Deputy Executive Director Ma. Lourdes D. Mediran presented to the Board the CITEM financial report for the period January -October 2019.
2. CITEM financial performance as of 31 October 2019

	2019	2018
<b>Corporate Revenue</b> Service and Business Income (/1)	<b>P 89,970</b>	<b>P 87,454</b>
<b>Less: Operating Expenses</b>		
Personnel Services	58,356	47,390
MOOE	173,495	130,104
Financial Expenses	381	402
<b>Surplus/(Deficit) from Operations</b>	<b>P (142,261)</b>	<b>P (90,442)</b>
Net Financial Assistance/Subsidy from NG	218,779	128,200
Net Gains (Losses)	(50)	(3)
<b>Net Surplus/(Deficit)</b>	<b>P 76,417</b>	<b>P 37,755</b>

3. The allocated budget for CAPEX has not been substantially utilized awaiting DBM authority and clearance. However, CITEM commenced procurement of CAPEX requirements short of a notice of award.
4. The Board, having no more comments, motioned and seconded:

“RESOLVED, that the CITEM Financial Report for January-October 2019 is hereby NOTED.”

(Res. No. BM 2019-11-05)

## VII. CITEM 2020 CITEM PERFORMANCE AGREEMENT (BALANCED SCORECARD)

1. Executive Director Suaco-Juan reported the result of the Technical Panel Meeting conducted with the GCG on the 2020 Proposed Balanced Scorecard.
2. During the Technical Panel Meeting, the GCG commented the following:
  - a. CITEM was the first agency to volunteer to the GCG that it is changing its business model in order to be attuned to the current market and international practice
  - b. That CITEM takes opportunity of the digitalization as a trend and disruptor at the same time, thus the existing business models and the norms of some government agencies are outdated.
  - c. That it is recommended that ENHANCEMENT of CITEM work competencies shall be given focused and be included in the thrusts and direction of CITEM
3. On the Cost Recovery Ratio under the 1<sup>st</sup> Strategic Measure of Ensuring Financial Stability, it was presented to the Board that the GCG-approved Target is 54%, as against the Board-approved

- 238 Proposed Target of 46.27%. The Board was then informed that the CITEM Management is  
239 currently negotiating with the GCG to lower down its targets to at least 49%.  
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241 4. On the Percentage of Satisfied Customers under the 2<sup>nd</sup> Strategic Measure of Improving  
242 Stakeholders Satisfaction, as required by GCG, a third-party company shall conduct surveys for  
243 CITEM.  
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245 5. A proposal to remove the Subsidy Graduation Policy strategic measure with a percentage weight  
246 of 10% , and its assigned points be distributed to other measures, for the following reasons:  
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248 a. For 2019, there are projects that are new and need to be campaigned to the exhibitors  
249 b. There are developmental projects that need intervention and support from the  
250 government or through CITEM  
251 c. Assessment wise, exhibitors from CITEM signature events need to be heavily provided/  
252 supported on capacity building, which programs like product development, coaching  
253 seminars, etc.  
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255 6. Under the learning and growth, a Board Approved Enhanced Competency Framework contributing  
256 10% on the scorecard.  
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258 7. An ISO recertification for 2020 will be given 10% weight, to be conducted by a 3<sup>rd</sup> party provider  
259 on the 3Q or 4Q of 2020.  
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261 8. Aligned with the Balanced Scorecard, the Board further reviewed the mission, vision of CITEM,  
262 and finds it is aligned with its strategic directions and fully translated into the proposed performance  
263 scorecard for 2020.  
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265 9. The Board, having no more comments, motioned and seconded:

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267 “RESOLVED, that Proposed CITEM 2020 Performance  
268 Negotiation Agreement and Balanced Scorecard,  
269 being in order, is hereby APPROVED”

270 *(Res. No. BM 2019-11-06)*  
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272 “RESOLVED, that CITEM Management is hereby  
273 granted authority to negotiate, re-negotiate;  
274 and to sign PES with the GCG, being in order is hereby  
275 APPROVED”

276 *(Res. No. BM 2019-11-07)*  
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## VIII. CREATIVE SERVICES AND MANAGEMENT FEE

- 280 1. The core competency of CITEM is project management and its competitive advantage rests on  
281 having the resources as a GOCC and the capacity to provide a full suite of creative services  
282 performed by highly creative individuals. Further, the agency is recognized for delivering impactful  
283 events and presentation, as well as skillfully crafted creative concepts and materials.  
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285 2. There is an increasing demand from external stakeholders for CITEM assistance in mounting trade  
286 events, content creation, conceptualization, design and production of promotional and marketing  
287 materials. There is likewise emerging interest from private sector big brands and business support  
288 organizations to work with CITEM for their respective events or creative requirements.  
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290 3. To effectively mobilize manpower and stewardship of resources, the agency needs to strike a good  
291 balance in managing its resources in implementing its projects while having the opportunity to  
292 service its stakeholders. Hence, CITEM seeks approval from the Board of Governors to charge  
293 fees for creative and management services for external clients.  
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295 4. A proposed guidelines for charging fees to external clients and some parameters/considerations  
296 in accepting external projects:  
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- 298 a. Menu of services will include Communications Management, Exhibition Design, Visual  
299 Design and Event Management. Web Marketing Services will not be included in the  
300 meantime for the agency to focus on the Digital Trade Show.  
301 b. Important factors to consider when accepting external projects:  
302 i. CITEM shall ensure that the external projects to be undertaken are aligned with  
303 the organizational strategy. Therefore, CITEM shall prioritize projects that are  
304 relevant to trade promotions.  
305 ii. CITEM may accept projects from external clients with priority given to other DTI  
306 agencies, then to other government agencies, exporters and business support  
307 organizations.  
308 iii. CITEM shall evaluate the resources available at hand (people, time or budget)  
309 and ensure that there are sufficient resources to accomplish the project  
310 efficiently and successfully.  
311 iv. CITEM shall ensure that its Signature events and company-led overseas trade  
312 fairs shall take precedence over all projects of external clients.  
313 v. External project proposals shall be handled by the Operations Units and/or the  
314 Business Development Unit. Client-servicing and coordination with internal  
315 support teams shall likewise be handled by the said units.  
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317 5. Other considerations  
318 a. CITEM shall ensure that before commencement of the project, a signed contract or  
319 agreement is in place, and if necessary, together with a signed Certificate of Availability  
320 of Funds for government projects.  
321 b. CITEM will have a published rate matrix that shall be posted in conspicuous places and  
322 in the CITEM website.  
323 c. Package rates will be available upon request.  
324 d. Clients will be oriented on production lead times, responsibility lists and approval  
325 processes.  
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327 6. On the determination of fees: the rates of fees and charges shall be based on just and reasonable  
328 rates sufficient to recover the cost of services rendered while taking into consideration the agency's  
329 revenue generation/enhancement objective. (DBM Memo No. 31 Sec. 6.71 dated 30 December  
330 2010).  
331 7. The Board, having no more comments, motioned and seconded:

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333 "RESOLVED, that CITEM Management is hereby  
334 authorized to charge creative and management  
335 services fee, being in order is hereby  
336 APPROVED"

337 (Res. No. BM 2019-11-08)  
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## 340 IX. ENHANCED CITEM COMPETENCY FRAMEWORK

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342 1. CITEM through its HR Chief, Florence Pearl Buensalido, would like to seek approval from the  
343 Board on its Enhanced Competency Framework. As proposed, this competency framework is one  
344 of the commitments and strategic measures of CITEM's 2020 Balanced scorecard.  
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346 2. As background, CITEM has developed and passed its first Competency Framework covering Core,  
347 Leadership and Functional Competencies. The 2015 competency framework has been used in  
348 key human resource initiatives to include 2015 baseline competency assessment, administration  
349 of related learning and development intervention, conduct of competency-based/behavioral  
350 interviews and post-intervention competency assessments for 2017, 2018 and 2019.  
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352 3. The 2015 competency framework includes four (4) organizational, three (3) leadership and  
353 managerial and twenty-one (21) technical or functional competencies.  
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355 4. In 2018, CITEM has planned for the development and enhancement of its existing framework, to  
356 update the competencies for all positions and the subsequent formulation of the competency-  
357 based job description. This is in line with CITEM's intention to strengthen its organizational  
358 capability and obtain higher-level accreditation with the CSC's Program to Institutionalize  
359 Meritocracy in Human Resource Management (PRIME HRM).  
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5. The updating and enhancement of the current competency framework is also in response to the recommendations of the GCG and the new strategic plan and direction of CITEM towards digitalization.
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6. On June 2019, CITEM embarked on the project Competency Modelling, Profiling and Assessment. An updated and refined sets of competencies were developed covering the core, technical and leadership competencies for all positions across all functional groups.
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7. The proposed 2019 CITEM Enhanced Competency Framework includes six (6) organizational, four (4) leadership and managerial and one-hundred sixteen (116) technical or functional competencies covering all the positions in the different units of CITEM.
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8. The proposed Enhanced Competency Framework also includes Competency Dictionary, competency-based job descriptions with competency profiles (CSC prescribed format).
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9. On discussion, Landbank Board Member Judy Kisg-Ing asked how CITEM is categorized under the HR Prime level.
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10. Ms Buensalido replied, that recently, CITEM was recognized and awarded by the CSC as HR Prime Level 2, and will soon vie for HR Prime Level 4
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11. Having no more comments and clarifications and upon motion duly made and seconded, it was---

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“RESOLVED, that the CITEM ENHANCED COMPETENCY FRAMEWORK, being in order is hereby APPROVED.

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*(Res. No. BM 2019-11- 09)*

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“RESOLVED, that the CITEM Management is hereby granted authority to conduct baseline competency assessment based on the approved ENHANCED COMPETENCY FRAMEWORK.

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*(Res. No. BM 2019-11- 10)*

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“RESOLVED, that the CITEM Development of a three-year learning and development plan for CITEM for the period covered 2020-2022 based on the results of the assessment.

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*(Res. No. BM 2019-11- 11)*

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**X. REVISED CITIZEN’S CHARTER**

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1. RA 11032, enacted 28 May 2018, mandates all government agencies to streamline and simplify processes, fastract projects and programs and streamline transaction process to improve government service delivery.
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2. The Office of Ease of Doing Business issued Memorandum Circular 201-02 dated 13 August 2019, Guidelines on the implementation of the citizen’s charter in compliance with RA 11032, containing all the government services that the government agencies offer to ensure the efficient, transparent and accountable deliver of government service;
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3. CITEM, in compliance with Memo Circular 2019-02 crafted its revised citizens charter, an official document that will communicate in simple terms, the service standards of pledge of each divisions services being provided to its stakeholders
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4. Further, the revised Citizen’s Charter shall be submitted to the ARTA Authority on or before 06 December 2019.

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5. Having no more comments and clarifications and upon motion duly made and seconded, it was---

“RESOLVED, that the CITEM REVISED CITIZEN’S  
CHARTED, being in order, is hereby APPROVED”

*(Res. No. BM 2019-11- 12)*

**XI. ACTS OF MANAGEMENT**

1. As a matter of policy, Contracts executed by Management with amounts PHP1M and above shall be presented to the Board for RATIFICATION.
2. For the period 01 August – 15 November 2019, there are 11 Contracts that have been identified, duly signed and implemented by Management with amounts PHP 1M and above.
3. Having no more comments and clarifications and upon motion duly made and seconded, it was---

“RESOLVED, that the Contracts executed  
by CITEM Management for the period 01  
August-15 November, being in order, is hereby  
RATIFIED”

*(Res. No. BM 2019-11- 13)*

**I. OTHER MATTERS**

1. UPDATES ON THE CONSTRUCTION IN THE PHILTRADE AREA

**XII. ADJOURNMENT**

The meeting was adjourned at 1PM.

This 28<sup>st</sup> day of November 2019, at the CITEM OED Boardroom. Pasay City, Philippines

Prepared by:

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