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2 MINUTES OF THE CITEM BOARD OF GOVERNORS' MEETING
3 3rd REGULAR BOARD MEETING
4 07 May2021, 930AM-12Noon
5 VIRTUAL CONFERENCE
6

7 ATTENDANCE:
8

9 Alternate Chairman

10
11 Abdulgani M. Macatoman
12 Undersecretary for Special Concerns and Trade Promotions Group (TPG)
13

14 Board Members

15
16 Mr. Thomas Benjamin B. Marcelo Ms. Paulina Suaco-Juan
17 Bangko Sentral ng Pilipinas CITEM

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19 Mr. Elcid C. Pangilinan Ms. Elsa Asuncion – Lim
20 Land Bank of the Philippines National Food Authority
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23 CITEM OFFICERS

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25 Ma. Lourdes D. Mediran Rowena Mendoza
26 Deputy Executive Director OIC DM, OG2
27

28 Charles Aames Bautista Wilma Dulay
29 Department Manager, CCSD Budget, Chief
30

31 A.Grace I. Marpuri Romina Aurea Magno
32 Corporate Secretary Corporate Planning Division, Chief
33

34 Florence Buensalido Malerna C. Buyao
35 HRD Chief Controllership, Chief
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38 I. DETERMINATION OF EXISTENCE OF QUORUM

- 39
40 1. The Board Secretary determined the existence of Quorum.
41 2. Notice of Meeting and Board Paper materials were sent to Board Members on 03 May 2021.
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43 II. APPROVAL OF THE PREVIOUS MEETING (11 February 2021)

- 44
45 1. Discussion of the Summary of Actions taken from the previous meeting:
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<u>MATTERS APPROVED BY THE BOARD</u>	
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

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48 2. Board Members asked the Corporate Secretary to reflect the discussion of the Governing Body in
49 the conduct of a Board Meeting.
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51 3. Having no further comments—
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53 "RESOLVED, that the Minutes of the Previous 11 February
54 2021 Virtual Board Meeting, being in order, is hereby
55 APPROVED.
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Res. No. BM 2021-05-01

57
58 **III. PRELIMINARY 2020 FINANCIAL OPERATIONS REPORT**

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- 60 1. Deputy Executive Director Malou Mediran discussed to the Board the 2020 Preliminary financial
61 operations report. The presentation is for the information and notation of the Board .
62
 - 63 2. Looking into the COB, CITEM received the entire NG subsidy for 2020. As for corporate revenues,
64 we had a recalibrated target of Php17M and we are happy to report that we exceeded our target
65 by 23%. A drop in personnel expenses, due to a few attrition and retirement CITEM had in 2020,
66 which was filled at the end of 2020.
67
 - 68 3. Notable also are the maximized utilization of our capital outlay and MOOE. CITEM used this budget
69 for the digitalization of processes with the creation of a promotions and leads generations
70 platforms.
71
 - 72 4. Also, with congressional grant of extension for the utilization of 2020 budget, CITEM allocated the
73 funds to augment its 2021 projects since our subsidy for 2021 decreased 43%.
74
 - 75 5. CITEM closed the books with 90% budget utilization.
76
 - 77 6. For 2020 performance, revenues dropped by 79% due to the pandemic, where physical shows
78 were cancelled during the 2nd -4th Q, and CITEM had no collection on participation fees. The global
79 data by UFI which is the international association of the exhibition industry, the entire exhibition
80 industry experienced a loss of over USD26B at the beginning of this pandemic. Also, beyond
81 CITEM's own cancellations for local shows, over 500 shows globally have cancelled their physical
82 events as well, which includes all of our overseas trade fair participations.
83
 - 84 7. Despite the cancellation of our shows, CITEM realigned its budget and reallocated the expenses
85 to bring digital platforms to life and to augment our 2021 subsidy, which was drastically cut in half
86 by DBM.
87
 - 88 8. Having no further comments—
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90 RESOLVED that the PRELIMINARY 2020 FINANCIAL OPERATIONS
91 REPORT, is hereby NOTED.

Res. No. BM 2021-05-02

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93
94 **IV. APPROVAL OF 2022 CORPORATE OPERATING BUDGET AND WORK PLAN**

- 95
- 96 1. CITEM is seeking the Board's approval of its 2022 COB and work program, which later on be presented
97 and submitted to the DBM.
98
 - 99 2. This proposal took into consideration the following:
 - 100 a. the Philippine government declared a health emergency earlier this year with the rising number
101 of cases of COVID in the country.
 - 102 b. CITEM takes note that it had 43% less budget for 2021 because of the removal of overseas
103 participation from the budget.
 - 104 c. After consultation with the BSOs, and engaging with international exhibition partners, there is
105 still some fear in holding mass gatherings for 2021, but there is optimism for 2022 for the
106 possibility of creating hybrid shows as there is more confidence with the global roll out of
107 vaccines this year.
 - 108 d. Lastly, considered in this proposal with producing our signature shows in hybrid formats to meet
109 international standards and continue our digital programs, as well as participate in 13
110 international hybrid shows.
 - 111 e. The Philippine government declared a health emergency due to COVID 19 pandemic crisis in
112 March 2020. As the challenges surrounding COVID-19 continue, CITEM is taking action to

adapt to the new normal in the performance of its export promotions mandate. (Less physical trade fairs & exhibitions & more intensified use of the digital platform)

3. Based on the Proposed Work Program, hereunder is the Budget Proposal for FY 2022:

Particulars	2021 C.O.B. based on DBM approved subsidy* (In Million Php)	2022 Proposed Budget (In Million Php)	% Increase (Decrease) over 2021
I. Funding Sources			
NG Subsidy	141.885	398.352	181%
Corporate Revenues	18.802	44.465	136%
Prior Year Savings	89.873	61.867	(31%)
Total Sources	250.560	504.684	101%
II. Budgetary Requirements			
Personal Services (PS)	97.795	102.733	5%
Maintenance & Other Operating Expenses (MOOE)	145.885	398.352	173%
Capital Outlay(CO)	6.880	3.599	-48%
Total Budget	250.560	504.684	101%

4. CITEM subsidy decreased by 43%, from P250.631M in 2020 to P141.885M in 2021, as no subsidy is allocated for participation in 2021 overseas projects. In 2021, Covid-19 pandemic remains a threat to the exhibition industry. This has caused many trade fair events around the world to be cancelled or postponed
5. In 2022, CITEM is proposing hybrid (physical and digital) participations to continuously promote Philippine presence in the international trade fairs. CITEM proposed to undertake four (4) Signature Events in 2022: the Manila FAME, CREATEPH, Sustainability Solutions Expo (SSX), and IFEX Philippines NxtFood Asia. The agency, likewise, plans to organize country participations in 13 major select overseas trade events, mostly for home, fashion and food. Markets covered include Europe, NAFTA, Middle East and East Asia, which includes China, Japan and Taiwan.
6. Budget for PS in 2022 covers 100 plantilla positions based on SSL-5 tranche 3. Currently, CITEM is using SSL 4-tranche 4. MOOE consist of direct costs of export promotion activities as well as support services and administrative overhead
7. The budget for personnel services is based on SSL-5 tranche 3. Currently, we are using SSL4-tranche 4. There is increase in our MOOE generally brought about the renewal and retention of technical services for our digital platforms, which include renewal of website development and maintenance service, renewal of content development services, renewal of our customer relationship management systems, and funding of content amelioration programs to support our exhibitors' digital transformation and as additional onboarding of exporters on our digital platforms. Lastly, the cost of capital outlay is for the procurement of office and IT equipment.
8. BM Toby Marcelo asked what the contingency plan for CITEM in case the projected subsidy from the National Government will not be granted?
9. ED Pauline replied that presentation wise of the proposed subsidy to DBM, CITEM as a strategy separated its physical projects from the digital requirements. In 2020, the digital component was integrated in into the physical show, thus when DBM cut the budget for OTF shows, the digital component was not implemented.
10. Also, in 2019, during the technical budget hearing, CITEM explained to the DBM on the new model of doing digital and content marketing. As a result, DBM granted CITEM an additional PHP30M .

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11. Moreover, in 2020 when CITEM was asking a budget for its digital initiatives, CITEM had no proof of concept yet for appreciation to continue the digital initiatives; and to help the MSMEs who were hardly hit and economically devastated by the pandemic.
12. BM Marcelo then suggested that since CITEM has now a proof of concept, this could be a good substantiation and could enrich the justification for the request of subsidy to DBM. Further, the proof of concept has a bright prospect of revenue streams; an export promotions digital channels; export lead interests and orders and community generation.
13. Alternate Chairman manifested that he fully supports the hybrid participation as a strategy. It should also maximize its digital platform events and in the long term should explore charging fees for the use of digital platforms and other services it offers, ie. B2B; content development and branding services.
14. Executive Director Pauline replied that CITEM is undertaking the Business Model Review to study different ways how to monetize the digital assets of CITEM. The business model review is to have a good balance between the participation fees and other revenue sources – advertising, content marketing, business intelligence. And by the end of the year, CITEM could hopefully share and report the result to the Board.
15. The Board also asked on the balance after the cash drawdown for 2022. DED Malou Mediran replied that the accumulated surplus as of 31 December 2020 is PHP505.015M with appropriated and unappropriated funds of PHP202.583M and PHP 302.432M, respectively, being the latter remained to be the building fund and not intended to be withdrawn.
16. In 2021, CITEM sought cash drawdown approval from the Board PHP89.873M, leaving an unappropriated balance of PHP112.710M. And for 2022, the proposed cash drawdown is PHP61.867, leaving unappropriated surplus balance of PHP50.843M.
17. Having no more comments--
RESOLVED that the proposed Corporate Operating Budget and Work Program for FY 2022 in the amount of P504.684M based on NG subsidy of P398.352M, augmented by Corporate Funds of P 106.332M is hereby approved

Res. No. BM 2021-05-03

V. POSTPONEMENT OF PHYSICAL STAGING OF MANILA FAME, IFEX AND SSX

1. As of February 2021, CITEM was ready to implement hybrid (physical and digital) shows for IFEX NXTFOOD ASIA, SSX and Manila FAME. March came in with a surge in the daily numbers of Covid cases and deaths, CITEM realized that it will be dealing with inadequate supply and slow distribution of Covid vaccines.
2. ED Pauline Suaco Juan further discussed the risks and opportunities on the postponement of these 2021 physical shows:
 - a. CITEM needs at least 6-8 months to properly stage and execute an effective trade show. All activities from preparations to the actual show will call for or gather large groups.
 - b. It will be inefficient use of time, energy and resources to start preparations knowing there will be 50/50 chances the events will push through. Because of this uncertainty, both Exhibitors and Buyers are also having a hard time giving their commitment to participate.
 - c. Implementing 2021 physical trade shows at this point will also put the CITEM staff, stakeholders and guests' health and safety at risk and the Be inefficient use of resources
 - d. Budget wise, requirements on putting up a physical show will incur additional cost for health and safety protocols. Moreover, the physical show will take more time and effort to secure, process and implement. But results won't be guaranteed. The shows may be cancelled any time, given uncertainties and risks in public health. Lastly, we have to address revenue loss as we are greatly dependent on participation fees.
3. While CITEM will cancel the physical shows, it can redirect and focus on massive promotion through digital means , which the Agency is implementing even before the pandemic took over. It

- 216 is time that resources on activities that are within our control and deliver results despite the absence
217 of physical shows.
218
- 219 4. It would also an opportunity for CITEM to take advantage of this time to build and learn digital
220 marketing for trade promotions under the “Business as usual.” – that is business carries on despite
221 the pandemic, the restrictions and the limitations.
222
- 223 5. CreatePH is not included as it is really intended for digital execution this June and December 2021.
224 Likewise, while CITEM is seeking for the postponement of the show, it gave update on the status
225 of the CITEM digital projects and the 2021 work plan and goals.
226
- 227 6. With the postponement of the physical shows, CITEM will focus and implement the following:
228 a. Exhibitor Management will focus on digital activation of MSMEs which will include
229 content creation and providing training to improve digital presence and responsiveness.
230 b. Digital events will be produced in order to promote product development program. Also,
231 CITEM will host learning sessions that will position us as thought leaders
232 c. Execute thematic campaigns Buyer Marketing will focus on digital lead generation and
233 nurturing. CITEM will penetrate existing buyer communities online through LinkedIn,
234 industry publications and digital marketplaces.
235 d. CITEM will as well organize online B2B events within and outside the overseas trade
236 fairs we participate in.
237 e. It was further reported that as of May 2021, we are working on partnerships that aim to
238 support participation of MSMEs in our programs. Some of partnerships have already
239 been sealed and some are in the pipeline,
240
- 241 7. Revenue wise, although CITEM proposed for the cancellation of its signature events though
242 staging of a physical show, it is mindful of its revenue to be earned for this year and it can achieve
243 the P18.8M revenue target for 2021—that’s 22% CRR. In the first half of the year, there are
244 potential revenues that CITEM can earn that is beyond the target.
245
- 246 8. ED Pauline likewise reported on the status of CITEM’s digital platforms:
247 a. Fameplus.com — launched in October 2020 Web developer is completing enhanced
248 capabilities which are primarily improvements from the launch version. We will soon install
249 API and run tests on event tracking journeys. Events referring to participation in digital
250 overseas trade fairs and other content marketing efforts.
251 b. Ifxnxtfood.com and foodphilippines.com Web development for both are ongoing and
252 uploading of content will start this month. Both are slated to go live (beta) in July.
253 c. Createphilippines.com Ongoing content curation and development. CITEM has also
254 approved website design. Sitemap and user journey are currently being finalized. We will
255 go live with the first phase, which is the promotions platform, in June.
256 d. Sustainabilityexpo.ph Sitemap is being finalized internally. Once approved, web developer
257 will be briefed for implementation. It is target to go live in August.
258 e. On CRM, CITEM has completed training of concerned departments for the Customer
259 Relationship Management system. A four-week IP warming test is ongoing. Upon
260 conclusion of IP warming test, CITEM e-mail marketing and social media will operate on
261 the Marketing Cloud.
262
- 263 9. On FAME+ has onboarded 227 out of the 250 target companies this year.
264 a. Registered buyer count is at 839 out of 1,843 target this year; 3,019 creative goods
265 promoted, already exceeding 2021 target by 519.
266 b. Export sales currently are at US\$ 149,000 vs target for the year at US\$3.33M. Domestic
267 sales generated so far is P11.5M.
268 c. On FAME+ onboarding, our exhibitors are starting to learn how to conduct business on the
269 site. It reached 25,727 unique users, 30,976 sessions and 115,375 pageviews. Users come
270 from 52 countries. Top users for the week of April 23-29 are from the PH, US, South Korea,
271 Hong Kong and Taiwan. This was most probably attributed to the promotions CITEM did
272 for our participation in 2021 Creative Expo Taiwan.
273 d. CITEM ran a survey among FAME+ exhibitors to ask about buyer inquiries they receive on
274 the platform. As of May 4 we have gathered 65 respondents. 49% of the respondents
275 received buyer inquiries through FAME+ 40% of the respondents received FOREIGN buyer
276 inquiries 40% of them also received LOCAL buyer inquiries 14% received retail inquiries
277 e. A total of 317 trade inquiries were received by the 32 survey respondents: 159 of them were
278 from foreign buyers 127 from local buyers 31 were retail inquiries We are gathering more
279 responses and these results are not yet final. Trade inquiries may be both Exhibitor and
280 CITEM led that factored in the trade inquiries.

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- 14. CITEM also shared its observation on e-newsletters:
 - a. 10 e-newsletters we produced in-house, released from January 6 – April 8, 2021 pulled in: 85 users 66 new users and 119 sessions.
 - b. 4 e-newsletters produced by content producer Summit Media, released from February 19 – April 9, 2021 pulled in: 593 users 504 new users and 853 sessions
 - c. These numbers are just the start and not conclusive. It shows the potential of storytelling in this industry and what we can learn from content producers we’re working with.

15. Participation in OTF programs:

Maison&Objet and More resulted to : <ul style="list-style-type: none"> a. 28 exhibitors b. ; 563 trade inquiries c. 403 unique trade buyers d. USD 742,819 in export orders e. 546 product featured and f. 359 visitors diverted to FAME+. 	While participation in AIFFS and PhilConstruct yielded: <ul style="list-style-type: none"> a. 10 exhibitors b. 918 trade inquiries c. 918 unique trade buyers and d. US\$ 30,000 in export orders
Biofach participation yielded <ul style="list-style-type: none"> a. 5 exhibitors b. 59 trade inquiries c. 56 unique trade buyers and d. USD 630,000 in export orders 	Gulfood yielded: <ul style="list-style-type: none"> a. 13 exhibitors b. 1,288 trade inquiries c. 230 unique trade buyers and d. USD 17.78M in export orders
Foodex Japan yielded: <ul style="list-style-type: none"> a. 10 exhibitors b. 652 trade inquiries c. 81 unique trade buyers and d. USD 500,000 in export orders 	

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- 16. The pandemic gave opportunity for CITEM to build on digital path, learn and observe how it’s working for us so far, and make adjustments whenever necessary. However, all the strategies and big decisions are always anchored on CITEM’s the core values -- to be shareholder-centric, advocate excellence, resource stewardship, versatility and empowerment. And the mandate to market and promote the Philippines as a reliable source of quality export products and our mission to enable PH companies to become global champions through sustainable export promotions will be fulfilled.

- 17. This 2021, by building on the organization’s digital and content marketing foundation CITEM is capacitating the internal work force and MSMEs.

- a. Exhibitor Management will focus on digital activation of MSME. Buyer Marketing will be more efficient in doing lead generation and nurturing.
- b. The board was also informed that CITEM will conduct an extensive business model review that will help us find sustainable options for revenue generation and also draw a roadmap for CITEM.
- c. In 2022, we will serve our mandate and mission as an EXHIBITIONS + CONTENT TRADE PROMOTIONS AGENCY—fulfilling our strategic thrust of retooling the organization to be competitive for the fast-changing global market, ensuring financial sustainability and creating an information-driven culture.
- d. All these are geared towards CITEM vision—by 2023, CITEM is a globally recognized export promotion agency that brings Philippine products and services in priority markets.

- 18. The Alternate Chairman initially commented that it fully supports the physical cancellation of the above-mentioned shows, but suggested to focus and consider the following:

- a. Make sure that targets and performance metrics are still on track
- b. This should be consulted with the BSOs and industry stakeholders
- c. Maximize the digital marketing platform. i.e buyer matching to service or cater the stakeholders

- 19. BSP Board Member Toby Marcelo manifested that the Board took note of the risks involved and factors that CITEM is considering in putting up the physical show. It inquired as well on the status of implementation of OTF shows.

- 20. ED Pauline in reply that it cancelled participation in the Summer Fancy Food show in June. Initially, the template of the show is hybrid, however, the organizer decided it to be a digital platform. Given the value for money assessment, CITEM deferred participation in the SFF digital .

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326 21. Also, in Anuga hybrid participation, it deferred participation since the space it offered to CITEM is too
327 small.
328

329 22. Further , BM Toby Marcelo suggested to consider on CITEM's the medium term plan in bringing the
330 signature events in the Region, ie. Signature events to collaborate or collocate with other organizations
331 – ie. BIMPEAGA. Also, bringing these shows in the region will take advantage of the relaxed IATF
332 protocols and community quarantines.
333

334 23. ED Pauline replied that CITEM welcomed the suggestion of the Board Members and CITEM is looking
335 into this plan in 2022. Implementation of these shows will reduce costs and logistics as venues shall be
336 where most of the Exhibitors are located. Plans for this will also be in partnership with TPB (Tourism
337 Promotions Board) for the buyers to experience tourism and can visit different places in the country.
338

339 24. Having no more comments –
340

341 “RESOLVED, that the staging of the 2021 physical shows of CITEM's
342 signature events – MANILA FAME, SSX, and IFEX , being in order , is
343 hereby APPROVED.
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345 *Res. No. BM 2021-05-04*
346

347 **VI. APPROVAL ON THE 2020 PERFORMANCE SCORECARD 4Q MONITORING REPORT**
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349 1. The GCG through a letter to CITEM dated 09 February 2021, transmitted to CITEM the agency's
350 recalibrated 2020 PES and further directed CITEM to (1) resubmit its 4Q Monitoring report based
351 on the Recalibrated performance scorecards and (2) to submit a copy of the scorecard (actually
352 / electronically) signed by the majority of the members of the Governing Board.
353

354 2. CITEM resubmitted to GCG tis 4Q Monitoring report 2020 based on the PES, together with the
355 validating documents with supplemental letter requesting to submit a copy of the PES after its
356 scheduled Board Meeting in April or May 2021.
357

358 3. Ms. Magno, Corplan Chief , presented to the Board the recalibrated target vs. the 2020
359 accomplishments to the Board. It further discussed that some of the measures were affected and
360 cannot be achieved in consideration of project cancellations and its negative impact on CITEM's
361 operational and financial performance metrics. As discussed , for 2020 where the exhibition
362 industry is the most hard hit by pandemic, CITEM is expecting to achieve a total of 85.19%.
363

364 4. It was further discussed that GCG allowed recalibration of some strategic measures, except for
365 measures on the following: (1) improvement processes to quality management system (2) ISO
366 recertification and (3) employees competencies.
367

368 5. BM Marcelo inquired whether CITEM can comply on the timely submission of documents required
369 by the GCG. In reply, CITEM is submitting its documents within the prescribed time. And there are
370 also instances that CITEM asks for time in case complex documents are required to be submitted.
371

372 6. Having no more comments—
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374 RESOLVED THAT the CITEM's 4Q Monitoring Report 2020 based
375 on the GCG transmitted recalibrated Performance Scorecard , is
376 hereby APPROVED.

377 *(Res. No. BM 2021-05-05)*
378

379 **VII. AVAILMENT OF THE PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH)
380 ELECTRONIC PREMIUM REMITTANCE SYSTEM (EPRS) OF LANDBANK**
381

382 1. This matter was presented by the Controllership Chief, Ms. Malerna Buyao to request approval from the
383 Board to avail the LBP WeAccess Online Payment of the Lanbank of the Philippines (LBP; and to enroll
384 any two (2) identified officers/employees to access the LBP WeAccess online facility; and to authorize
385 said bank to debit the designated deposit accounts for the purpose of paying agency's PHILHEALTH
386 Remittance.

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2. Under the Philhealth Circular No. 2020-008 of the PHILHEALTH the enrollment using any of the Electronic Payment Remittance System (EPRS) of PHILHEALTH partner banks is mandatory. To enroll any two (2) identified officers/employees to access the LBP WeAccess online facility.
3. LBP is the depository bank of CITEM’s corporate income and subsidy accounts. Designation of two (2) officers/employees authorize to approved auto-debit PHILHEALTH Remittance of the Agency is required by LBP to access its WeAccess online facility.
4. The electronic means of paying the PHILHEALTH remittance of CITEM through LBP requires authorization to debit the designated deposit accounts for the payment of PHILHEALTH Premium.
5. CITEM has deposit accounts with LBP. For payment of PHILHEALTH to corporate income, these are to be debited from LBP current account No. 1772-1038-63.
6. It was recommended further approval on the designation of the following officers/employees to access the WeAccess and approved “designated authorizer” of LBP, processing of payment is subject to accounting rules and regulations:
7. Further For the Board to approve the authorization for LBP to debit the deposit accounts below for the purpose of paying PHILHEALTH Premium of CITEM:

<u>Name of Bank</u>	<u>Type of Deposit and Account No.</u>
LBP- Century Park HP Branch	Current Acct. No. 1772-1038-63

8. BM Elcid Pangilinan fully supports this initiative of CITEM. However, being himself a part of Landbank and due to conflict of interest, he defers this agenda to the Governing Body for approval. It was further commented that, Landbank welcomes this initiative for CITEM to enroll all its mandatory contributions in its electronic EPRS payment gateways.
9. Having no more comments—

“RESOLVED, that the enrollment of CITEM into the Landbank WEaccess EPRS for the PHILHEALTH remittances, being in order, is hereby APPROVED”

(Res. No. BM 2021-05-06)

“RESOLVED further that authorization for LBP to debit the deposit accounts below for the purpose of paying PHILHEALTH Premium of CITEM is hereby APPROVED:

<u>Name of Bank</u>	<u>Type of Deposit and Account No.</u>
LBP- Century Park HP Branch	Current Acct. No. 1772-1038-63

(Res. No. BM 2021-05*07)

“RESOLVED FURTHERMORE, that the designation of the following officers/employees to access the WeAccess and approved “designated authorizer” of LBP, processing of payment is subject to accounting rules and regulations:

<u>Name</u>	<u>Designation</u>
Paulina Suaco-Juan	Executive Director
Ma. Lourdes D. Mediran	Deputy Executive Director
Atty. Anna Grace I. Marpuri	OIC-Corporate Services
Rowena DG. Mendoza	Department Manager
Charles Aames M. Bautista	Department Manager

(Res. No. BM 2021-05-08)

446 VIII. GRANT OF PRAISE 2020
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- 448 1. To secure Board approval on the grant of monetary awards to CITEM employees under the Program on
449 Awards and Incentives for Service Excellence (CITEM - PRAISE), this was presented by the HRD Chief,
450 Ms. Florence M. Buensalido.
451
- 452 2. Pursuant to the provisions of Rule X of the Omnibus Rules Implementing Book V of the Executive Order
453 No. 292, and in line with the Revised Policies on Employee Suggestions and Incentive Awards System
454 (ESIAS) provided under CSC Resolution No. 010112 and CSC MC No. 01, s. 2001, CITEM has adopted
455 the CITEM – PRAISE which was approved for implementation on 24 October 2002 by the Civil Service
456 Commission – NCR (see attached).
457
- 458 3. CITEM – PRAISE aims to recognize and reward CITEM official employees individually, in groups and/or
459 collectively, for:
460
- 461 a. Suggestions, innovative ideas, superior accomplishments, and other personal efforts;
 - 462 b. Heroic deeds, extraordinary acts or services in the interest of the public and/or service; and
 - 463 c. Exemplary service that contribute to the efficiency, economy and improvement in the
464 management and operation of CITEM. (*Section 1.1 of the CITEM – PRAISE*)
465
- 466 4. CITEM - PRAISE shall provide both monetary and non-monetary awards and incentives to recognize,
467 acknowledge and reward productive, creative, innovative and ethical behavior of employees through
468 formal and informal mode. For this purpose, the System shall encourage the grant of non-monetary
469 awards. Monetary awards shall be granted only when suggestions, inventions, superior
470 accomplishments and other personal efforts result in monetary savings, which shall not exceed 20% of
471 the savings generated. (*Section 2.4 of the CITEM-PRAISE*)
472
- 473 5. For the Team's exemplary performance in embracing digital transformation and remaining relevant to its
474 stakeholders amidst the lockdown and the COVID-19 pandemic, introducing innovative ideas and
475 obtaining noteworthy milestones and accomplishments:
476
- 477 a. Successfully launched CITEM's first homegrown digital community platform, FAME+,
478 which has been instrumental in reaching a wider global audience and in maintaining
479 CITEM's relevance to its stakeholders.
 - 480 b. CITEM's first hybrid Overseas Trade Fair platform in its participation in 2020 China
481 International Import Expo (CIIE), which include an on-site exhibition, FoodPhilippines.cn
482 website mirrored on FoodPhilippines.com, and online B2B activities.
 - 483 c. CITEM's noticeable achievements in its participation in MOM: Maison & Objet's first
484 event on their digital platform.
 - 485 d. Attested by SOCOTEC Certification Philippines, Inc. on 23 December 2020 in
486 accordance with the requirements of ISO 9001:2015 (Quality Management Systems)
487 and has been recommended for re-certification.
 - 488 e. The first GOCC recognized by the Department of Health (DOH) in its first issue of
489 Workplace Handbook for demonstrating good practices in order to mitigate COVID-19
490 in the workplace by adopting an evolving COVID-19 Response Plan and Procedures
491 with the main objective of prevention, control, and management anchored on three (3)
492 guiding principles: critical service continuity, optimized lean management, and
493 reinforced culture of safety and wellness. Public service continued even in the face of
494 lockdowns and restrictions.
 - 495 f. Reorganization and reskilling of CCSD, particularly WMD and EDD to adapt to changing
496 business conditions and strategic priorities.
 - 497 g. For the Team's commendable practice on financial stewardship by having ethically and
498 prudently exercise of a reasonable minimization of costs of operations, without
499 compromising the quality of projects; intensifying resource mobilization and capitalizing
500 on the full potentials and competence of the CITEM's workforce. This results in the
501 overall outstanding operational performance of maximizing the benefits at a minimum
502 cost, under the principle of "doing more with less".
 - 503 h. For the Team's sustained effort to contribute to efficiency, economy, and improvement
504 on savings generation on the Corporate Operating Budget (COB) for Personnel

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Services (PS) and Maintenance & Other Operating Expenses (MOOE), through a productive, efficient, empowered and fully engaged workforce.

6. In the previous years, CITEM also granted incentives to employees , summarized as follows:

Incentive	2018	2019	2020
CAN	Approved by the Board on 28 Aug 2020 Php 25,000 per qualified employee amounting to Php 2,061,845.20	Not Qualified	-
ENERCON	Granted to employees but CITEM did not secure Board Approval Savings generated from electricity and fuel consumption amounting to 2,773,428.92 is equally distributed to employees	Approved by the Board on 27 Oct 2020 Savings generated from electricity and fuel consumption amounting to 2,771,096.71 is equally distributed to employees	-
PRAISE	Granted to employees but CITEM did not secure Board Approval Equivalent to 1 month salary (prorated based on months in service) amounting to Php 4,300,000.00	Approved by the Board on 19 Dec 2019 Equivalent to 1 month salary (prorated based on months in service) amounting to Php 4,933,000.00	For Approval <i>Proposal:</i> Equivalent to 1 month salary (prorated based on months in service), and Php 20,000 for retiring employees, amounting to Php 5,000,000.00

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7. Given the presentations, the CITEM Management recommends approval to the Board :

- a. Grant of monetary awards to CITEM employees amounting to Five Million Pesos (Php 5,000,000.00), which shall be given in the form of gift certificates.
- b. The total monetary awards shall not exceed 20% of the savings generated (7.732M) from Personnel Services and Maintenance & Other Operating Expenses (as provided under Item II.4 of the PRAISE – Basic Policies).
- c. For permanent employees who are still with CITEM and have rendered at least six (6) months of service as of 30 November 2020, the grant shall be equivalent to 100% of one (1) month basic salary or Php 20,000.00 (whichever is higher).
- d. For permanent employees who have less than six (6) months of service as of 30 November 2020, the grant shall be pro-rated based on the length of service as follows:

Length of Service	Percentage of PRAISE
6 months and above	100% of the monthly basic salary
5 months to less than 6 months	80% of the monthly basic salary
4 months to less than 5 months	60% of the monthly basic salary
3 months to less than 4 months	40% of the monthly basic salary
2 months to less than 3 months	20% of the monthly basic salary

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- e. For service provider personnel who have an existing contract since January 2020 and later on been absorbed to permanent positions and still with CITEM as of 30 November 2020, the length of service or residency in CITEM shall be considered, with the same computation as stated above
- f. For retirees who have been in the public service for more than 15 years, an additional of Php 20,000.00 to be given on the day of their retirement as a token of appreciation.
- g. Since the incentive is based on merit and performance, all personnel must have fully complied with performance evaluation documentation with no pending obligations (i.e. unliquidated cash advance, terminal reports, and administrative cases).

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8. BM Elcid Pangilinan inquired if the grant of the PRAISE incentive to the employees is in accordance with the CSC rules.

- 542 9. Ms. Buensalido replied that this was referred to the CSC in the previous years. As CSC advised to
543 CITEM, that there is no particular provision in the PRAISE providing a threshold for each employee
544 to receive, except on the threshold on the amount allocated for the PRAISE incentive by the
545 agency—that is within the 20% savings generated for the current year.
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- 547 10. Atty. Marpuri further informed the Board that this was also the elevated to the GCG in 2015 for
548 confirmation to make sure that these incentives are different from the other – (CNA, PRAISE and
549 ENERCON). The GCG said that these are different incentives that can be granted to employees.
550 They are given for different purpose and governed by different rules.
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- 552 11. To further validate, CITEM will set a meeting with the CSC to further elevated this matter.
553 12. Having no further comments—
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555 “RESOLVED, that the 2020 PRAISE incentives to CITEM employees,
556 being in order, is hereby APPROVED”

557 (Res. No. BM 2021-05-09)
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560 RATIFICATION OF ACTS OF MANAGEMENT (15 February 2021 – 30 April 2021)
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- 562 1. As a Policy, contracts executed by Management with considerations PHP1M and above shall be
563 presented to the Board for Ratification.
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- 565 2. 10 Contracts, duly executed by Management with amounts PHP1M and above, for the period 15
566 February – 30 April 2021, were presented for Ratification. These Contract observed the process of
567 government procurement in accordance with RA 9184.
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- 569 3. The Board, resolved:

570 “RESOLVED, that the ACTS OF MANAGEMENT executed from 15
571 February – 30 April 2021, being in order, is hereby RATIFIED

572 (Res. No. BM 2021-05-10)
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574 **IX. OTHER MATTERS**
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- 576 1. NFA Representative inquired on the COVID 19 vaccination plans for CITEM employees.
577 2. CITEM replied that:
578 a. During the January Mancom Meeting, the Management made plans to allocate
579 budget for vaccines for all employees
580 b. The CITEM Association of CITEM Employees (CITEM ACE) and the HRD have
581 conducted survey to all CITEM employees to solicit the number of employees who
582 are willing to avail the vaccine
583 c. Like all other agencies and private sectors, CITEM is challenged where to source
584 the vaccine due to lack of supply in the market.
585 d. The ACE is also tasked to coordinate with other employees association from other
586 agencies – GSIS , DFA or DTI, if CITEM can source the vaccine through them.
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589 **X. ADJOURNMENT**

590 The next CITEM Board Meeting is tentatively scheduled on 11 June 2021.
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592 07 May 2021. CITEM, Pasay City, Philippines.
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595 Prepared by:
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598 ATTY. ANNA GRACE I. MARPURI
599 Corporate Secretary
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