

TITLE: ENDORSEMENT OF THE CITEM 2017-2023 STRATEGY MAP AND 2017 BALANCED SCORECARD FOR COMPLIANCE WITH THE GOVERNANCE COMMISSION FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS (GCG)

1.0 OBJECTIVE:

To seek approval and endorsement from the Board for the aforementioned documents.

2.0 FACTS:

2.1 CITEM has embarked on a brand-driven business transformation initiative to address the competitiveness of the traditional export sectors of the Philippines, particularly the home, fashion and food sectors. Brand-driven business transformation can anchor the growth or turn-around strategy, driving customer loyalty, profit and shareholder returns. These initiatives were incorporated in the CITEM 2011-2016 Strategy Map, which expired last year.

2.2 CITEM management decided to incorporate a more inclusive growth framework for SMEs in the new 2017-2023 Strategy Map. CITEM envisions that by 2023 CITEM is a globally recognized export promotion authority that is well-reputed for bringing the best the Philippines has to offer in the priority markets identified by the Philippine Export Development Plan.

2.3 The theme for the 2017-2023 Strategy Map is **I CaRe: Innovate. Capacitate. Resonate.**

2.3.1 **INNOVATE.** CITEM aims to champion innovation both for internal and external stakeholders. Internally, CITEM aims to innovate by creating new flagship shows, incorporating more industry sectors, and reinventing the way we manage our events. Externally, CITEM intends to assist MSMEs in their innovative processes through capability building programs imbedded in our promotional activities.

2.3.2 **CAPACITATE.** CITEM, as a government instrumentality, wants to add value to our promotional activities. We want to be beyond just promotion by equipping the MSMEs with the right skills and tools to succeed in the international markets. CITEM's goal is being able to internationalize SMEs which will bring business growth for the companies, their stakeholders, and their value chain, and eventually contribute to national development.


2.3.3 **RESONATE.** CITEM wants to be more relevant in the playing field. By being the leader in export promotion, CITEM aims to resonate with its stakeholders and clients in elevating the Philippines as a sourcing destination of choice. Furthermore, this initiative of increasing stakeholder engagement will grow CITEM events and bring improvements to the CITEM income and performance indicators.

- 2.4 The 2017-2023 Strategy Map has been converted into manageable measures in the performance scorecard. Last 17 April 2017, GCG and CITEM met to discuss the proposed scorecard. CITEM management has implemented the necessary changes to the scorecard based on GCG comments. However, the GCG required that the CITEM board approves and endorses the scorecard prior to the submission on 05 May 2017.

3.0 RECOMMENDATION:

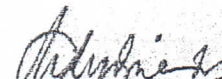
For the board to approve and endorse the Strategy Map and 2017 Performance Scorecard

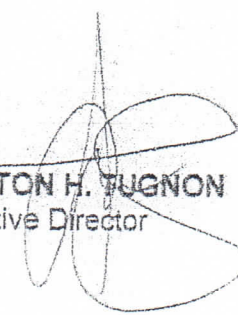
Prepared by:


DORIS U. GACHO

Division Chief, Corporate Planning

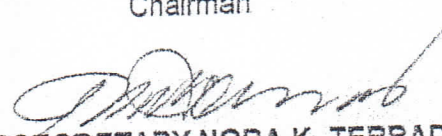
Noted by:


MA. LOURDES D. MEDIRAN
Deputy Executive Director



CLAYTON H. TUGNON
Executive Director

APPROVED AND CONFIRMED BY:

SECRETARY RAMON M. LOPEZ
Chairman



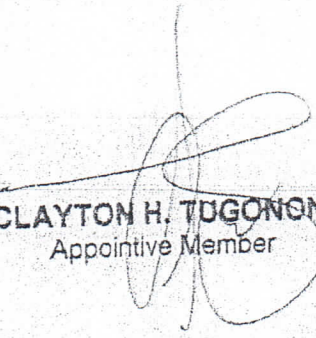
UNDERSECRETARY NORA K. TERRADO
Alternate Chairman



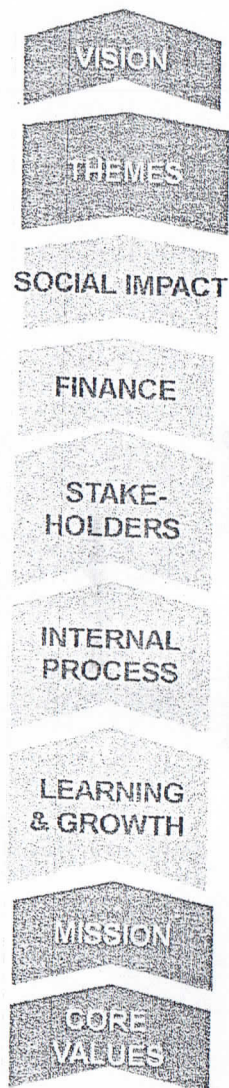
MR. EDWARD JOHN T. REYES
Alternate Representative, CITEM Board

MS. WILHELMINA C. MAÑALAC
Alternate Representative, CITEM Board

ATTY. JUDY CAROL L. DANSAL
Alternate Representative, CITEM Board



CLAYTON H. TUGONON
Appointive Member



By 2023, CITEM is a globally recognized export promotion authority that brings Philippine products and services in priority markets.

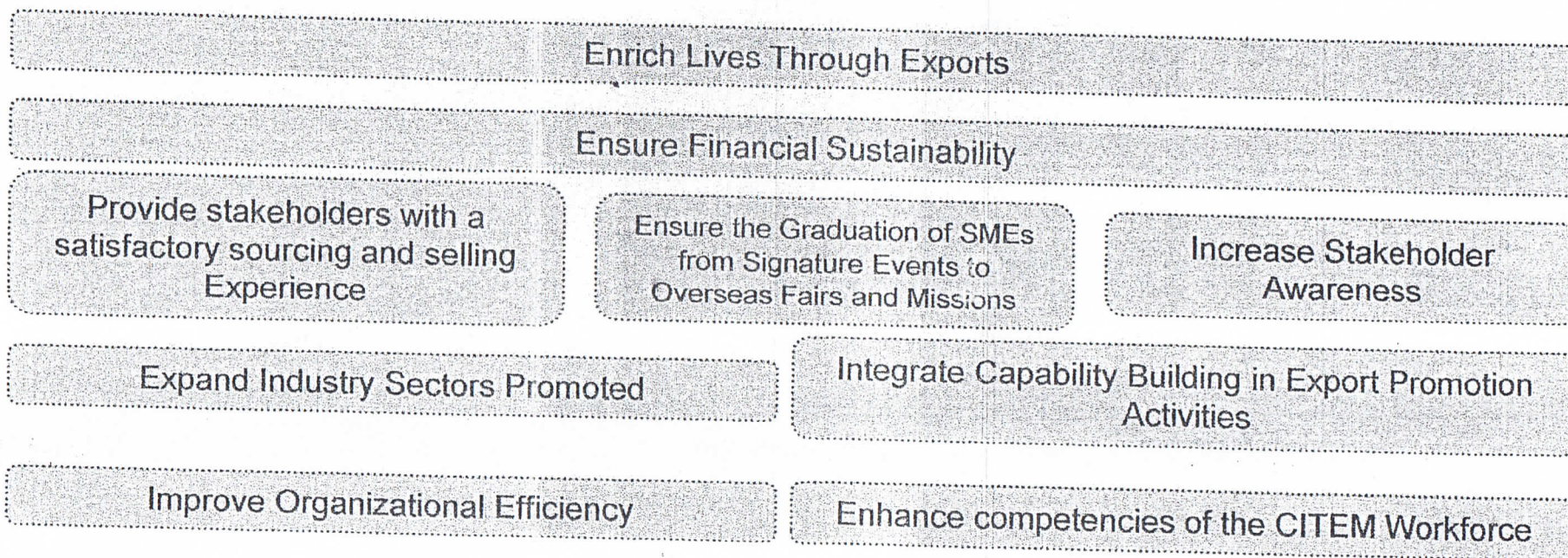


I-CaRe

Innovate

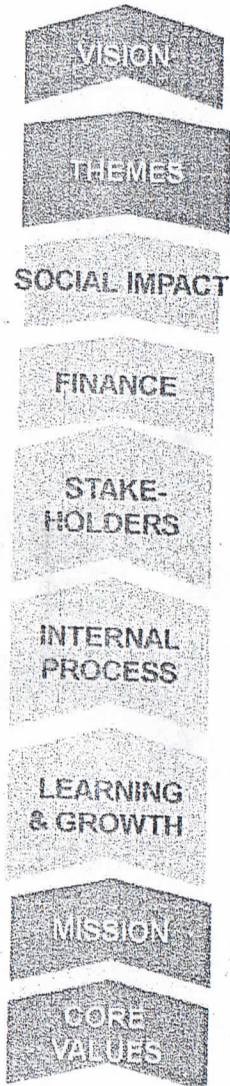
Capacitate

Resonate



We enable Philippine companies to become global champions through sustainable export promotion programs and activities.

Stakeholder centric, Excellence, Resource stewardship, Versatility, Empowerment



By 2023, CITEM is a globally recognized export promotion authority that brings Philippine products and services in priority markets.

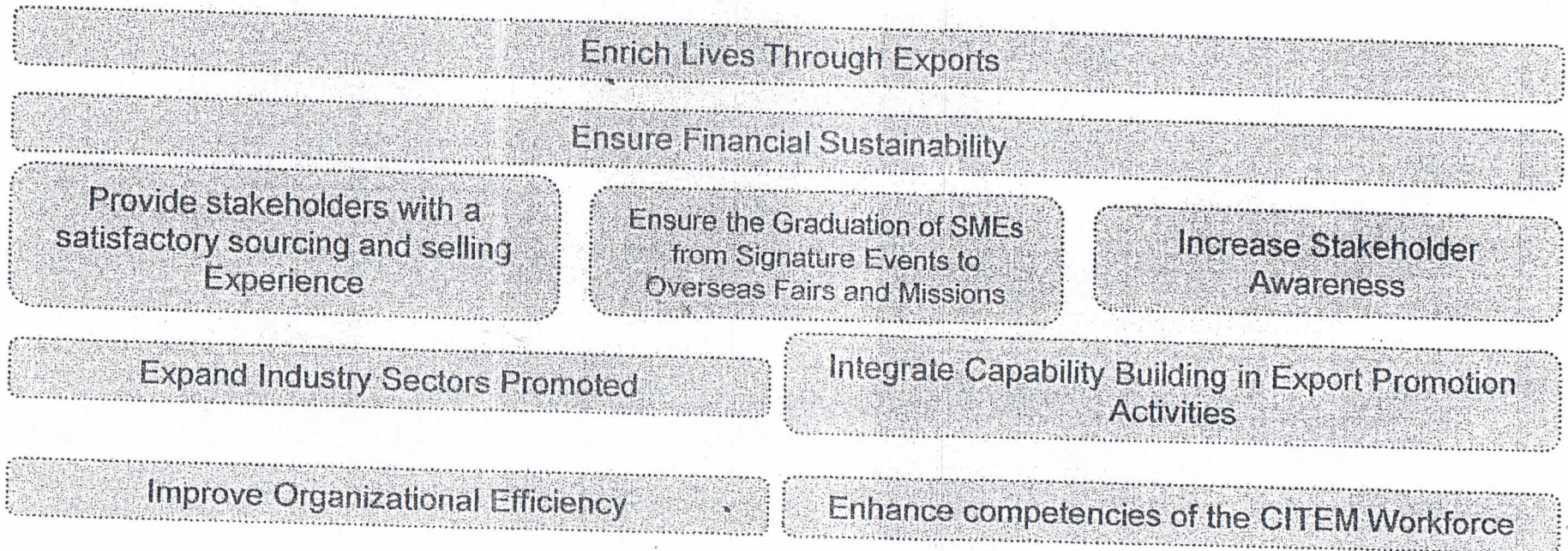


I-CaRe

Innovate

Capacitate

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Component															
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018	2019	2020	2021	2022	2023	GCG Remarks	CITEM Action Plan and Justification
	SO 1	Ensure Financial Sustainability													
FINANCIAL	SM 1	Cost Recovery Ratio	Total Income from Promotional Events Organized and Participated / Total Project Cost	10%	40.86%	28.81%	42%	45%	47%	50%	53%	56%	60%	Goal until 2023, CRR is 60%. TWG Agreement: Measure and target is accepted. CITEM to provide the percentage per year until 2023 towards achieving the 60%.	CITEM shall implement financial strategies to successfully achieve this target. Figures are upon the assumption that the budget remain equal.
		Sub-total		10%											
	SO 2	Provide Stakeholders with a Satisfactory Sourcing and Selling Experience													
	SM 2	Percentage of returning exhibitors in signature events;		5%	46%	47%	44%	46%	45%	45%	45%	45%	45%	GCG Suggested Measures: 1. Look at the retention rate 2. How to ensure the clients graduate from receiving government subsidy 3. CITEM to devise parameters TWG Agreement: CITEM to think of other measure reflecting the objective.	For retention rate, CITEM opts to commit retention rates for Signature Events as these events are the flagship events for the organization and the country. We cannot graduate companies from our signature events because it is the platform which best promotes the Philippines as a sourcing destination of choice. Thus, making it a necessary promotional expense of the government. The reason we would not commit retention rates for overseas shows is to ensure new companies are given the chance to participate in overseas trade shows
	SM 3	Improvement in Satisfaction Ratings		10%	1.99	2.09	2.10	2.11	2.12	2.13	2.14	2.15		TWG Agreement: For 2017, CITEM to go back to 2015 and 2016 survey report and look at the drivers that need improvement. Target to be revised and detailed result to be provided to the GCG.	CITEM determined a baseline of satisfaction for 2016 which was summarized in an aggregated score. This score represents the different drivers of satisfaction. Increase in the aggregate score means improvements in the general drivers of satisfaction Please refer to Annex 1 for the breakdown per project.

[illegible]

INTERNAL PROCESS	Objective/Measure		Formula	Weight	Rating System	2015	2016	2017	2018	2019	2020	2021	2022	2023	GCG Remarks	CITEM Action Plan and Justification
	SO 5	Expand Product Sectors Promoted														
	SM 7	Number of New Sectors Assisted	Absolute Number	10%		1	4	6	5	Target sectors will be dependent on the sectors identified by the upcoming PEDP 2018-2020 and succeeding versions					Creative Marketplace launching animation and gaming (also with DTI), literature, media and other 3. TWG Agreement: CITEM to plot the identified sectors and how to capture the sectors until year 2023.	Please refer to Annex II for sectors identified and committed.
	SO 6	Integrate Capability Building in Export Promotion Activities														
	SM 8	No. of SMEs benefitting from Capability-building programs	Absolute Number	15%	Actual / Target x Weight	500	387	466	489	513	538	564	592	621	TWG Agreement: Replace this measure with the previous year's "Number of SMEs benefitting from CITEM Capability Building Programs".	Revise to number of SME beneficiaries The 2016 figure is different from the previously reported number due to the exclusion of the projects funded by DCP
	SM 9	New Merchandise Developed	Absolute Number	10%	Actual / Target x Weight	300	1161	900	945	992	1041	1093	1147	1204	TWG Agreement: Link this measure to the previous measure. New products offered by the SMEs capacitated by CITEM.	Rename the objective to: No. of new merchandise developed and revise the target The 2016 figure is different from the previously reported number due to the exclusion of the projects funded by DCP
			Sub-total	35%												
	SO 7	Improve Organizational Efficiency														
	SM 10	ISO Certification and Annual Management Review		5%		Approved QMS Procedures / Quality Manual uploaded at CITEM Website	"Certifiable" Status in Readiness Assessment	ISO Certification	Management Review	Recertification	Management Review	Recertification				IAS to continue ISO certification workplan

[illegible]

Annex 1: Summary: Overall Average per Project Based on Variables (2016) OTF & Signature Events		
No.	Project	Average per project based on variables
1	WFFS	1.98
2	TIGS	1.80
3	Ambiente	1.88
4	IFS	1.83
5	Gulfood	1.98
6	Foodex	1.85
7	Salone	1.93
8	ICFF	1.93
9	Taipei Food Show	1.99
10	April MFAME Exhibitor	2.00
11	April MFAME VIB	2.40
12	April MFAME Non-VIB	2.19
13	Design Week PH	2.23
14	NY NOW	1.81
15	Maison & Objet Paris	1.90
16	CAEXPO	1.87
17	SIAL	1.96
18	October MFAME Exhibitor	2.03
19	October MFAME VIB	1.89
20	October MFAME Non-VIB	2.41
21	ASEAN Fair	1.90
Overall Average		1.99

Prepared By:

Jewel H. Udarbe
Assistant Division Chief

ANNEX 2: Summary of New Sectors to be Assisted 2017 to 2019

	SECTOR	SHOW	YEAR							
			2016	2017	2018	2019	2020	2021	2022	2023
1	Visual Arts	FAME					The Plans from 2019 to 2023 is dependent on the upcoming PEDP 2018-2020 and subsequent plans			
2	Technology/IT (Startups)	Slinghot								
3	Education Services	Slinghot								
4	Design Solutions	Slinghot								
5	Organic Personal Care	IFEX								
6	Animation	CMP								
7	Gaming	CMP								
8	Health and Wellness	IFEX								
9	Electronics	BIG								
10	Automotive	BIG								
11	Renewable Energy	BIG								
12	Aerospace	BIG								
Total				6	5	6				

Notes:

1. Creative Market Place sectors are only indicated for 2017 due to the uncertainty of funding. It is currently classified as tier 2 in the 2018 budget proposal which has the probability of not getting approved



SECRETARY'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

I, **ATTY. ANNA GRACE I. MARPURI**, Filipino, of legal age, and with office address at the Center for International Trade Expositions and Missions, Sen. Gil J. Puyat cor. Roxas Boulevard, Pasay City, Philippines, do hereby certify that:

1. I am the Corporate Board Secretary of the Center for International Trade Expositions and Missions (CITEM), a national government instrumentality attached to the Department of Trade & Industry, with postal address at Golden Shell Pavilion, Sen. Gil J. Puyat Avenue cor. Roxas Boulevard, Pasay City, Philippines;
2. The CITEM Board of Governors, through a referendum on 05 May 2017, unanimously passed the following resolution:

"RESOLVED, that the 2017-2023 CITEM Strategy Map and 2017 Balanced Scorecard for Compliance with the Governance Commission for Government Owned or Controlled Corporations (GCG), being in order, is hereby APPROVED AND CONFIRMED."

(Res. No. BM No. 2017-05-07)

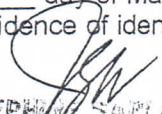
MAY 10 2017

IN WITNESS WHEREOF, I have affixed my signature on this ____ day of May 2017, hereat Pasay City.


ATTY. ANNA GRACE I. MARPURI
Corporate Board Secretary

MAY 10 2017

SUBSCRIBED AND SWORN to before me this ____ day of May 2017 at Pasay City, Philippines, affiant exhibiting to me her competent evidence of identity IBP Roll No. 48441, valid until date.


ATTY. JOSEPHINE SAMPLALA-ABADELA
NOTARY PUBLIC
JULIA, GUINAYAN, PASAY CITY
JULIA, GUINAYAN, PASAY CITY
JULIA, GUINAYAN, PASAY CITY
JULIA, GUINAYAN, PASAY CITY
JULIA, GUINAYAN, PASAY CITY
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Doc. No. 195
Page No. 40
Book No. 61
Series of 2017

Disk2/2017-2023 Strategic Plan and 2017 Balance Scorecard



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