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 turnaround 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

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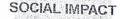
MS. WILHELMINA C. MAÑALAC Alternate Representative, CITEM Board

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

CLAYTON H. TOGONON
Appointive Member







FINANCE

STAKE-HOLDERS

INTERNAL **PROCESS** 

LEARNING & GROWTH





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

I-CaRe

Innovate Capacitate

Resonate

**Enrich Lives Through Exports** 

Ensure Financial Sustainability

Provide stakeholders with a satisfactory sourcing and selling Experience

Ensure the Graduation of SMEs from Signature Events to Overseas Fairs and Missions

Increase Stakeholder **Awareness** 

Expand Industry Sectors Promoted

Integrate Capability Building in Export Promotion Activities

Improve Organizational Efficiency

Enhance competencies of the CITEM Workforce

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

Stakeholder centric, Excellence, Resource stewardship, Versatility, Empowerment



ienews:

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I-CaRe

Opn.

Innovate

Capacitate

Resonate

SOCIAL IMPACT

**Enrich Lives Through Exports** 

FINANCE

Ensure Financial Sustainability

STAKE-HOLDERS Provide stakeholders with a satisfactory sourcing and selling Experience

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INTERNAL PROCESS

**Expand Industry Sectors Promoted** 

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Stakeholder centric, Excellence, Resource stewardship, Versatility, Empowerment

		Component			T		1		1	1		T				<b>Y</b>
		ojective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018	2019	2020	2021	2022	2023	GCG Remarks	CITEM Action Plan and Justification
-	501	Ensure Financial Sustai	inability					1	-			-				CITEM ACTION FIRM and Justinication
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	CITEM shall implement financial strategies to successfully achieve this target.  Figures are upon the assumption that the budget remain equal.
-			Sub-total	10%											60%.	
-	SO 2	Provide Stakeholders v	with a Satisfactor	y Sourcing and	d Selling Expe	erience	<u></u>		-	-			-	-		
	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.	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 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
	SM 3	Improvement in Satisfaction Ratings		10%			1.99	2.09	2.10	2.11	2.12	2.13	2.14		2015 and 2016 survey report and look at the drivers that need Improvement. Target to	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 agregate score means improvements the general drivers of satisfaction  Please refer to Annex 1 for the breakdown per project.

CONTRACTOR DESIGNATION CONTRACTOR DESIGNATION

-	-	bjective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018	7 2010	T		T	T		
	SO 3	Increase Stakeholder	Awareness	1	1 System			2017	2016	2019	2020	2021	2022	2023	GCG Remarks	CITEM Action Plan and Justificatio
STAKEHOLDERS	SM 4	Number of New Buyers	10%			1368	1076	1511	1500	1500	1500	1515	1530	1545	GCG recommend to have a third party to certify that the data is based on	This measure was previously Publicit Mileage Generated. CITEM management opted to change the measure to shift from an Output
	SM 5	Number of New Exhibitors for Signature Events	Absolute Value	10%		614	343	711	695	700	700	707	714	721	the industry calculation	indicator (Publicity Mileage) to an Outcome indicator (Number of New Stakeholders) in order to highlight the effectivity of the publicity CITEM generates.
	SO 4	O 4 Ensure the Graduation of SMEs from Signature Events to Overseas Fairs													and an entitle placed.	
	SM 6	Craft the Optimal Policy for Exhibitor Graduation		10%				1 Policy Matrix for Exhibitor Graduation							New Strategic Objective and Measure	This new objective and measure aims to reflect the "graduation scheme" requested by GCG in SM2. CITEM defines graduation as being able to have SN elevate from CITEM signature events to Overseas Trade Fairs, which is an indicator of the growth of these SMEs. Our measure only tackles new exhibit for overseas trade fairs since CITEM's touch points does not include the developmental SMEs not yet enrolled in our signature events. That is more of St increasing Stakeholder Awareness.  However, we insist to set parameters first as a target for 2017. The justifications are as follows:  1. CITEM will be tackling new sectors as we go bact the DBM approved organizational structure. There need to study the performances of these sectors to properly benchmark and monitor the progress of participation companies. CITEM cannot implement one-size-fits all approach in percentage targeting.  2. CITEM's current situation requires a strict adherance to the financial targets. CITEM implement of a "first time participation" discount for new exhibit in Overseas Trade Fairs which would inevitatibly for income. CITEM cannot recklessly commit a percent of new exhibitors per target without considering it financial impact of these actions. Thus we recomm to first commit a policy study prior to implementatias part of our Risk-based approach, as stated in ISC 9001:2015.
			Sub-total	45%					-		-		-			

	0	bjective/Measure	Formula	Weight	Rating		2016	2017	2018	2019	2000	Τ	T	T		
-	SO 5	Expand Product Sector	s Promoted		System	11		2.017	2016	2019	2020	2021	2022	2023	GCG Remarks	CITEM Action Plan and Justificatio
	SM 7	Number of New Sectors Assisted	Absolute Number	10%		1	4	6	5	on	Target sectors will be dependent on the sectors idenfied 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	Please refer to Annex II for sectors identified and committed.		
_	SO 6	Integrate Capability Building in Export Promotion Activities							-						уеаг 2023.	
	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	previous year's "Number of SMEs benefiting from	Revise to number of SME beneficiarie The 2016 figure is different from the previously reported number due to tl 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	Rename the objective to: No. of new merchandise developed and revise t target  The 2016 figure is different from the previously reported number due to exclusion of the projects funded by DCP
			Sub-total	35%										<del>-</del>		
_	SO 7	Improve Organizational	Efficiency													
S	M 10	ISO Certification and Annual Management Review		5%		Approved QMS Procedures / Quality Manual uploaded at CITEM Website	"Certifiable" Status in Readiness Assessment	ISO Certification	Manag Revi		Recertifi cation	Manag Revi	2 1020.00	Recertifi cation		IAS to continue ISO certification workplan

-		bjective/Measure	Formula	Weight	Rating System		2016	2017	2018	2019	2020	2021	2022	2023	GCG Remarks	
	SO 8	Enhance the Competen	cies of the CITE	M Workforce		, , , , , , , , , , , , , , , , , , , ,									GCG Remarks	CITEM Action Plan and Justification
LEAKNING & GROW	SM 11	Percentage of CITEM Employees Completing the Competency Assessments to identify the level of proficiency of targetted individuals.	Sub-total TOTAL	10% 100.0%		Management Approved Competency Framework and Competency Table	Identified technical competencies for key positions (on individual baseline).	Management - 50% Technical - 50%							Leadership Competencies Technical - (10) Functional Competencies  ** Using the competency assessment tools provide	Management - (3) Leadership Competencies Technical - (10) Functional Competencies ** Using the competency assessmentools provide a "reality check" and baseline of individual performance.

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# 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	2016	1	YEAR										
S		ZUIU	2017	2018	2019	2020	2021	2022	2022					
	FAME						2021	2022	2 2023					
gy/IT (Startups)	Slinghot													
Services	Slinghot				-									
lutions	Slinghot													
ersonal Care	IFEX					The Plans from 2019 to 2023 is depende on the upcoming PEDP 2018-2020 and								
1	CMP	-												
	CMP													
d Wellness	IFEX						subseque	ent plans						
S	BIG				All professions of the second									
/e	BIG													
e Energy														
									-					
		rgy BIG BIG	rgy BIG BIG	rgy BIG BIG	rgy BIG BIG	BIG BIG	rgy BIG BIG	rgy BIG	rgy BIG BIG					

Notes:

1. Creative Market Place sectors are only indicated for 2017 due to the unceratinty 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:

- 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 1 0 2017

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

Doc. No. Page No. Book No. Series of 201

Disk2/2017-2023 Strategic Plan and 2017 Balance Scorecard









MIPLALA-ABARENIA

PASHY MITT

FARRY CITT

PADAY GILT

