

**TITLE: CORPORATE OPERATING BUDGET AND WORK PROGRAM
FOR FY 2015**

1.0 OBJECTIVE:

To seek Board approval of CITEM's Corporate Operating Budget and Work Program for FY 2015.

2.0 FACTS:

- 2.1 CITEM earlier requested a government subsidy of P300M for 2015 and endorsed by the Board through a referendum last 26 March 2014.
- 2.2 On 23 June 2014, the DBM advised that their recommended level of subsidy was P186.443M, the same level that was given to CITEM for FY 2014.
- 2.3 Based on the subsidy level of P186.443M, the Work Program was revised based on priority markets (please see attached Annex A).

There are, however, other important overseas trade events that CITEM and DTI-FTSC would like the Philippines to participate in. (please see attached Annex B) Actual implementation of said projects will depend on availability of funding support from the DTI-Head Office.

- 2.4 Hereunder is the Comparative Summary of CITEM's Revised Corporate Operating Budget for FY 2014 and 2015:

		<u>2014</u>	<u>F Y 2015</u>		% Increase (Decrease) over 2014
		<u>Approved</u>	<u>Based on</u>		
		<u>Corporate Operating</u>	<u>Original</u>	<u>DBM approved</u>	
		<u>Budget</u>	<u>Proposal</u>	<u>Subsidy Level</u>	
(In Million Pesos)					
I. Funding Sources					
NG Subsidy	P	186.443	300.000	186.443	0.00%
Corporate Income		39.697	42.673	55.100	38.80%
Prior Year Savings		58.848	13.203	13.392	(77.24%)
Total Sources	P	<u>284.988</u>	<u>355.876</u>	<u>254.935</u>	<u>(10.55%)</u>
II. Budgetary Requirements					
Personal Services	P	60.492	60.492	60.492	0.00%
MOOE		201.213	287.384	186.443	(7.34%)
Capital Outlay		23.283	8.000	8.000	(65.64%)
Total Budget	P	<u>284.988</u>	<u>355.876</u>	<u>254.935</u>	<u>(10.55%)</u>

2.5 Budget for Personal Services in 2015 covers 115 plantilla positions.

2.6 Maintenance and Other Operating Expenses (MOOE) consist of direct costs of export promotion activities as well as support services and administrative overhead.

<u>Description</u>		<u>Budget (in Million)</u>	
I.	Operations		
	1.a. Signature Events	P	79.500
	1.b. Overseas Trade Fairs		61.800
	1.c. International Commitments		<u>3.700</u>
	Sub-total (pls see Annex A)	P	145.000
II.	Support to Operations		11.443
III.	General and Administrative Services		<u>30.000</u>
	TOTAL	P	<u>186.443</u>

2.7 Provision of P8.0 million for capital outlay is allotted for the purchase of various office and IT equipment.

3.0 RECOMMENDATION:

For the Board to approve the Corporate Budget and Work Program for FY 2015 in the amount of P 254.935 based on DBM subsidy of P186.443M.

Prepared by:

Reviewed by:


AURELIA O. CRUZ
OIC, Corporate Services


MA. LOURDES D. MEDIRAN
Deputy Executive Director

Recommending Approval:


ROSARIO VIRGINIA C. GAETOS
Executive Director

APPROVED BY:

SECRETARY GREGORY L. DOMINGO
Chairman


UNDERSECRETARY PONCIANO C. MANALO JR.
Alternate Chairman

MARGIE A. JORILLO
Government Services Insurance System


MA. MERCEDES G. YACAPIN
National Food Authority


LELA C. MARTIN
Land Bank of the Philippines


WILHELMINA C. MAÑALAC
Bangko Sentral ng Pilipinas


ROSARIO VIRGINIA C. GAETOS
Appointive Member

Program/ Project	Date	Venue	2015 KEY PERFORMANCE INDICATORS							BUDGET	Target Revenue	CRR
			Companies Assisted (Individuals for Design Week Phils.)			Buyer Inquiries/Attendees		Export Sales (in Million US\$)	Local Sales (in Million PhP)			
			TOTAL		Local	Foreign	TOTAL					
			New	Regular								
GAA-funded												
1 Winter Fancy Food	11-13 January	San Francisco, USA			16		460	460	15.12	10.00	1.060	11%
2 Gulffood	08-12 February	Dubai, UAE			24		2,500	2,500	71.53	9.00	3.78	42%
3 Philippine Solo Exhibition at the ASEAN-Japan Hall	16-20 February	Tokyo, Japan			15		225	225		0.700	0.338	
4 Manila Wear at the International Fashion Show (TBD)	February	London, UK			6		400	400		4.00		-
5 Foodex	03-06 March	Chiba, Japan			12		418	418	19.12	5.00	0.810	16%
6 61st Manila FAME	13-16 March	SMX Convention Center, Pasay City, Manila	20	200	220	4,163	762	4,925	12.90	20.00	8.00	40%
7 Design Week Philippines	10-16 March	SMX Convention Center, Pasay City, Manila			200*		-			3.00		0%
8 Salone Internazionale del Mobile	14-19 April	Milan, Italy			6		614	614	2.63	9.00	0.528	6%
9 IFEX 2015	21-24 May	SMX Convention Center, Pasay City, Manila	50	550	600	830	500	1,330	60.00	17.00	14.00	82%
10 Maison et Objet Paris (Home)	04-08 September	Paris, France			6		1,026	1,026	2.50	10.000	0.528	5%
11 China-ASEAN Expo	18-21 September	Nanning, China			25		3,000	3,000	3.15	3.000	1.500	
12 62nd Manila FAME	22-25 October	SMX Convention Center, Pasay City, Manila	20	330	350	3,200	1,200	4,400	16.00	34.000	19.500	57%
13 Design Week Philippines	19-25 October	SMX Convention Center, Pasay City, Manila			300*					2.000		0%
-Korea-Asia Design Sharing Council Meeting (P1.COM)										1.000		

ANNEX A

2015 Work Program (Per Department)
As of 14 December 2014

As of 14 December 2014.

Program/ Project	Date	Venue	2015 KEY PERFORMANCE INDICATORS										BUDGET		Target Revenue	CRR	
			Companies Assisted (Individuals for Design Week Phils.)			Buyer Inquiries/Attendees			Export Sales (in Million US\$)	Local Sales (in Million PhP)	Total Project Budget for FY 2015 (in million PhP)						
			New	Regular	TOTAL	Local	Foreign					TOTAL					
GAA-funded																	
14 Anuga	10-14 October	Cologne, Germany			20		500	500	52.80		14,800	2,640	18%				
15 HallONE			0	0	0	-	-	-	0.00	0.00	2,500	0,300					
GRAND TOTAL			90	1,080	1,300	8,193	11,605	19,798	255.75	221.70	145,000	53,004 *	37%				

* excluding interest and miscellaneous income of P2,100M

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			Companies Assisted (Individuals for Design Week Phils.)			Buyer Inquiries/Attendees			Export Sales (in Million US\$)	Local Sales (in Million PhP)	Total Project Budget for FY 2015 (in million PhP)						
			New	Regular	TOTAL	Local	Foreign	TOTAL									
FOR FUNDING																	
1 Seafood Processing Global	21-23 April	Brussels, Belgium												1.500			
2 International Contemporary Furniture Fair (ICFF)	16-19 May	New York, USA	2											10.000			
3 Taste APEC at IFEX	21-24 May	Manila, Phils.												20.000			
4 Taipei International Food Show	24-27 June	Taipei, Taiwan												2.000			
5 Thaifex	June	Bangkok, Thailand												0.500			
6 Philippine Independence Day Celebration in Paris	June	Paris, France															
7 Fukuoka Gift Show (booth and collateral design assistance)	June	Fukuoka, Japan															
8 Lifestyle Setting at the Philippine Embassy in Pakistan	July	Pakistan												0.500			
9 New York NOW	15-19 August	New York, USA												10.000			
10 Franchise and License Expo	11-13 September	Jakarta, Indonesia												5.000			
11 Tokyo Game Show (ASC funded)	17-20 September	Chiba, Japan															
12 Women and the Economy Forum -Women Icons of APEC -Luxe Philippines @ APEC	18-20 September	Philippine International Convention Center												31.000			

2015 Work Program (Per Department)
As of 14 December 2014

ANNEX B

Program/ Project	Date	Venue	2015 KEY PERFORMANCE INDICATORS							BUDGET		Target Revenue	CRR
			Companies Assisted (Individuals for Design Week Phils.)			Buyer Inquiries/Attendees		Export Sales (in Million US\$)	Local Sales (in Million PhP)	Total Project Budget for FY 2015 (in million PhP)			
			New	Regular	TOTAL	Local	Foreign						
							TOTAL						
FOR FUNDING													
13 Fine Food Australia	20-23 September	Sydney, Australia									3,000		
14 Paris Fashion Week	30 September- 07 October	Paris, France									10,000		
15 The Hotel Show	27-29 September	Dubai, UAE									5,000		
16 Dubai International Branding Licensing Fair	October (TBC)	Dubai, UAE									5,000		
17 FABEX (branding and collateral support)	8-10 October	Osaka, Japan									12,000		
18 Red Box											6,000		
19 Manila Wear (A component of Manila FAME) - Manila Wear March - P3.0M; Manila Wear October - P3.0M											4,000		
20 Neo Textiles (A component of Manila FAME) - Neo Textiles March - P2.0M; Neo Textiles October - P2.0M													
GRAND TOTAL											125,500		

Program/ Project	Date	Venue	2015 KEY PERFORMANCE INDICATORS								BUDGET		Target Revenue	CRR	
			Companies Assisted (Individuals for Design Week Phils.)			Buyer Inquiries/Attendees			Export Sales (in Million US\$)	Local Sales (in Million PhP)	Total Project Budget for FY 2015 (in million PhP)				
			New	Regular	TOTAL	Local	Foreign	TOTAL							
FOR FUNDING															
1 Seafood Processing Global	21-23 April	Brussels, Belgium										1.500			
2 International Contemporary Furniture Fair (ICFF)	16-19 May	New York, USA										10.000			
3 Taipei International Food Show	24-27 June	Taipei, Taiwan										2.000			
4 Thaifex	June	Bangkok, Thailand										0.500			
5 Philippine Independence Day Celebration in Paris	June	Paris, France													
6 Fukuoka Gift Show (booth and collateral design assistance)	June	Fukuoka, Japan													
7 Lifestyle Setting at the Philippine Embassy in Pakistan	July	Pakistan										0.500			
8 New York NOW	15-19 August	New York, USA										10.000			
9 Franchise and License Expo	11-13 September	Jakarta, Indonesia										5.000			
10 Tokyo Game Show (AJC funded)	17-20 September	Chiba, Japan													
11 Women and the Economy Forum -Women Icons of APEC -Luxe Philippines @ APEC	18-20 September	Philippine International Convention Center										31.000			
12 Fine Food Australia	20-23 September	Sydney, Australia										3.000			

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			Companies Assisted (Individuals for Design Week Phils.)			Buyer Inquiries/Attendees		Export Sales (in Million US\$)	Local Sales (in Million PhP)	Total Project Budget for FY 2015 (in million PhP)				
			New	Regular	TOTAL	Local	Foreign				TOTAL			
FOR FUNDING														
13 Paris Fashion Week	30 September - 07 October	Paris, France										10,000		
14 The Hotel Show	27-29 September	Dubai, UAE												
15 Dubai International Branding Licensing Fair	October (TBC)	Dubai, UAE										5,000		
16 FABEX (branding and collateral support)	8-10 October	Osaka, Japan										5,000		
17 Red Box ,														
18 Manila Wear (A component of Manila FAME) - Manila Wear March - P3.0M; Wear October - P3.0M												12,000		
19 Neo Textiles (A component of Manila FAME) - Neo Textiles March - P2.0M; Neo Textiles October - P2.0M												6,000		
												4,000		
GRAND TOTAL												105,500		

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