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## MINUTES OF CITEM BOARD OF GOVERNORS MEETING

04 November 2015  
OSEC Conference Room  
5/F Industry and Investments Building  
385 Sen. Gil J. Puyat Ave., Makati City

### I. Quorum

#### IN ATTENDANCE:

Alternate Chairman

Ponciano C. Manalo, Jr.  
Undersecretary for Trade and Investment Promotions Group

#### Board Members

Ma. Mercedes G. Yacapin  
National Food Authority

Rosvi C. Gaetos  
CITEM

Wilhelmina C. Mañalac  
Bangko Sentral ng Pilipinas

Ms. Leila C. Martin  
Land Bank of the Philippines

#### Also Present:

Ma. Lourdes D. Mediran  
Deputy Executive Director

Aurelia O. Cruz  
OIC, Corporate Services

Atty. Anna Grace I. Marpurin  
Corporate Board Secretary

### II. DETERMINATION AND EXISTENCE OF QUORUM

1. The Corporate Board Secretary determined the existence of a Quorum.

### III. CALL TO ORDER

1. After confirmation from the Corporate Board Secretary of the existence of a quorum, Undersecretary Ponciano C. Manalo, Jr., the Alternate Chairman, called the meeting to order at 125 pm.
2. The Undersecretary welcomed the CITEM Board Members as well as the CITEM Officials present at the Board meeting.

### IV. APPROVAL AND ADOPTION OF THE AGENDA

1. Reading and approval of the Agenda.

V. MATTERS ARISING FROM THE PREVIOUS BOARD MEETING

1.

ACTION POINTS	ACTION TAKEN
Increase in Philippine participation in Maison et Objet, 05-09 September 2014 in Paris, France, from 149.5sqm to 250sqm	DONE
Manila FAME and IFEX Exhibitors to be compliant with the BIR ruling on the Privilege Store, requiring trade fair participants/ exhibitors to issue Official receipts (OR) for each sale of goods sold or services rendered	DONE
CITEM REORGANIZATION	It was reported to the Board that CITEM is currently undertaking the Competency Framework Agreement, as part of the 2015 GCG Commitment
DBM approval on the purchase of 2 CITEM vehicles , in compliance with Administrative Order 233, series of 2008	DONE

2. Having no more comments and clarifications and upon motion duly made and seconded, it was—

"RESOLVED, that the Matters Arising from the 18 June 2014 CITEM Board Meeting, being in order, is hereby NOTED"

(Res. No. BM 2015-11-01)

VI. SUMMARY OF APPROVED CITEM BOARD ACTION THROUGH REFERENDUM FOR THE PERIOD JANUARY – APRIL 2015

1. CITEM presented to the Board Summary of the Approved 2015 CITEM Board Action through Referendum.

JANUARY 2015

- a. Approval of the 2015 COB and Work Program
- b. Increase in signing authority of the Executive Director from Php2m to Php3m in conformity with dti department order 14-39, dated 28 october 2014
- c. Designation of Citem Management Officers for the Integrated Corporate Reporting System (ICRS) pursuant to GCG Memorandum Circular 2014-02
  - a. GOCC Monitoring System (GMS) - Ms. Aurelia O. Cruz  
OIC-Corporate Services Dept.
  - b. GOCC Leadership Management System (GLMS) - Ms. Florence Pearl M. Buensalido  
OIC, Human Resource Mgmt Div.



c. To provide the necessary software, hardware and technical knowledge on the use of ICRS Ms. Elvie Borje  
Head, Management Information Services Division

d. Authority to designate the following officers/ employees to enroll CITEM in the BIR Electronic Filing and Payment System (EFPS)

Name	Designation
Rosario Virginia C. Gaetos	Executive Director
Aurelia O. Cruz	OIC-Department Manager Corporate Services Dept.
Wilma G. Dulay	OIC-Finance Division

e. Authority to designate the following officers/ employees to access the E-Payment Facility of PNB and LBP

Name	Designation
Rosario Virginia C. Gaetos	Executive Director
Ma. Lourdes D. Mediran	Deputy Executive Director
Aurelia O. Cruz	OIC-Department Manager Corporate Services Dept.
Wilma G. Dulay	OIC-Finance Division

f. Ratification of Acts of Citem Management for contracts executed from 01 June 2014 to 30 November 2014

#### MARCH 2015

g. Revised Corporate Operating Budget (COB) for 2015

#### APRIL 2015

h. Corporate Operating Budget and Work Program for 2016

"RESOLVED, that the Summary of Approved CITEM Board Actions through Referendum for the Period January – April 2015, being in order, is hereby NOTED"

(Res. No. BM 2015-11-02)

#### VII. EXECUTIVE DIRECTOR'S REPORT FOR 2015 CITEM ACCOMPLISHMENTS

1. The Executive Director reported the CITEM Accomplishments from January – November 2015.
2. At present, CITEM accomplished 95% of its 2015 Work Program, and implemented the following:
  - a. 3 signature events
  - b. 2 Design Week
  - c. 12 overseas trade fairs
  - d. 1 institutional event

3. From the projects implemented, CITEM accomplished and generated the following:

	Target	Actual	Accomplishment
Companies Assisted	1,000 SMEs	1,547 SMEs	155%
Buyer Attendance	19,798	15,792	80%
Media Mileage	377M	401M	106%
Export Sales	USD 255M	USD 428M	168%
Local Sales	PHP 222M	PHP 160M	72%

4. For the Manila FAME March And October 2015 Signature Events, it was reported that:

	Companies assisted	Buyer Attendance	Potential Export Sales	Local Sales	Retail Sales	Media Mileage
61 <sup>st</sup> MF Edition	150 Includes 11 foreign exhibitors	2,445	\$4.862M	PHP 46M	PHP 18.404M	PHP 118M
62 <sup>nd</sup> MF Edition	398 Includes 89 foreign exhibitors	1,904	\$7.740M	PHP 62M	PHP 12.709	PHP 127M

5. The Board suggested that for purposes of reporting, CITEM to use:

- Reported Sales instead of Potential Sales
- SMEs instead of companies to include Designers

6. Likewise, the IFEX signature event was reported as follows:

Companies assisted	Buyer Attendance	Potential Export Sales	Local Sales	Retail Sales	Media Mileage
700 116% Accomplishment	1,985 (149% accomplishment)	\$159M (265% accomplishment)	PHP 53M	PHP 79M	PHP 82M

7. Ms. Martin requested CITEM to submit lists of Manila FAME and IFEX SMEs participants to avail any of the service facilities being offered by LandBank.

8. On image building and branding, CITEM participated in overseas shows under the Design Philippines banner, with the following accomplishments:

	Companies Assisted	Buyer Inquiries	Potential Export Sales	Media Mileage
Salone Internazionale del Mobile	4	238	USD 3.26M	PHP 8.5M
International Contemporary Furniture Fair	6	846	USD 0.542	PHP 9.4M



- 182 9. For Food Philippines, CITEM likewise participated in the following overseas events  
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	Companies Assisted	Buyer Inquiries	Potential Export Sales	Media Mileage
WINTER FANCY FOOD	16	456	USD 30M	PHP 8.1M
GULFOOD 2015	24	881	USD 104M	PHP 3.3M
FOODEX	13	256	USD 19M	
TAIPEI INTERNATIONAL FOOD SHOW	8	410	USD 15M	
ANUGA	35	670	USD 67.7M	PHP 2.5M

- 184 10. Under the Fashion Philippines and Lifestyle Philippines, CITEM participated in  
185 International Fashion Showcase in London and Lifestyle Philippines at NY Now in New  
186 York, USA, with the following accomplishments:  
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	Companies Assisted	Buyer Inquiries	Potential Export Sales	Media Mileage
IFS, London	6	372		PHP 17M
Lifestyle Philippines at NY Now	19	676	USD .737M	PHP 0.97M

- 189 11. Likewise, CITEM participated in the Philippine Solo Exhibition and CAEXPO and  
190 accomplished the following:  
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	Companies Assisted	Buyer Inquiries	Potential Export Sales
Philippine Solo Exhibition	14	207	USD 1.2M
CAEXPO	19	676	USD .737M

- 193 12. It was further reported that CITEM implemented the Luxe Philippines, a special event  
194 in support of the Philippines hosting of the APEC 2015.  
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- 197 13. Having no more comments and clarifications and upon motion duly made and  
198 seconded, it was—  
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201 "RESOLVED, that the 2015 CITEM  
202 Accomplishment Report, being in order, are  
203 hereby NOTED"  
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(Res. No. BM 2015-11-03)

206 VIII. 2016 WORK PROGRAM  
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- 208 1. The 2016 CITEM Work Program are as follows:  
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210 JANUARY Winter Fancy Food  
211 Maison&Objet Paris  
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213 FEBRUARY International Fashion Showcase  
214 AJC Tokyo International Gift Show  
215 Ambiente  
216 Gulf food  
217  
218 MARCH Foodex  
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220	APRIL	Salone Internationale del Mobile
221		Design Week Philippines
222		Manila FAME
223		
224	MAY	International Contemporary Furniture
225		
226	JUNE	Taipei Food Show
227		NY Now
228		
229	JULY	-
230		
231	AUGUST	NY Now
232		
233	SEPTEMBER	CHINA-ASEAN Expo
234		Design Philippines at Biennale
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236		Design Philippines at Biennale
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238	OCTOBER	Sial Paris
239		64 <sup>th</sup> Manila FAME
240		Design Week Philippines
241		
242	NOVEMBER	Philippine Solo Exhibition at the ASEAN-Japan Center
243		AKC-ASEAN Trade Fair
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245	DECEMBER	-
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2. Having no more comments and clarifications and upon motion duly made and seconded, it was—

"RESOLVED, that the 2016 CITEM Work Program, being in order, is hereby APPROVED"

(Res. No. BM 2014-11-04)

#### IX. CITEM FINANCIAL REPORTS 2013-2014

- Ms. Au Cruz presented to the Board the summary of the 2015 CITEM Financial Reports.
- It was reported that the sources of funds for the approved 2015 Corporate Operating Budget (COB) and actual uses:

SOURCES OF FUNDS	2015	ACTUAL (Jan-Sept)
a. NG Subsidy- GAA	PHP 186.443	PHP 148.079
b. Corporate Income	55.100	59.070
c. Prior Years Savings	<u>47.960</u>	<u>---</u>
	PHP 289.503	PHP 207.149

- The approved COB for 2015 was allocated for personal services, MOOE and CAPEX, and likewise presented its actual uses:

	C.O.B	ACTUAL (Jan-Sept)
a. Personal Services	PHP 54.576	PHP 37.251
b. MOOE	210.405	135.523
c. CAPEX	<u>24.522</u>	<u>0.790</u>
	PHP 289.503	PHP 173.564



- 279  
280 4. The Proposed 2016 Corporate Operating Budget are as follows:  
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SOURCES OF FUNDS		2016
d. NG Subsidy- GAA	PHP	195.000
e. Corporate Income		55.100
f. Prior Years Savings		<u>35.892</u>
	PHP	285.992

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- 289 5. The proposed NG subsidy of PHP 195M for the 2016 Corporate Operating Budget is
- 290 5% higher as compared to the 2015 approved DBM subsidy of PHP 186.446M to
- 291 cover inflation rate.
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- 293 6. The 2016 proposed corporate income is targeted at PHP 55.100M, even if there will
- 294 be no IFEX in 2016.
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- 296 7. Having no more comments—
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298 "RESOLVED, that the 2015 CITEM Financial

299 Reports, being in order, is hereby NOTED"

300 (Res. No. BM 2015-11-04)

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303 X. FOR CITEM APPROVAL AND CONFIRMATION

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305 XI. 2015 PERFORMANCE NEGOTIATION AGREEMENT BETWEEN THE GCG AND CITEM

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- 307 1. The State through the Governance Commission for GOCCs (GCG) is mandated to
- 308 establish a Performance Evaluation System (PES), including performance scorecards
- 309 which shall apply to all GOCCs in general.
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- 311 2. The PES shall provide the framework for setting the organizational targets of a
- 312 GOCC.
- 313
- 314 3. The Board was informed that in October 2015, CITEM signed a Performance
- 315 Negotiation Agreement (PNA) with the Governance Commissions for GOCCs (GCG),
- 316 that contained Performance Scorecards, Strategic Measures and Specific Objectives
- 317 that will measure the performance of CITEM for 2015.
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- 320 4. It was explained to the CITEM Board that the GCG and CITEM have mutually agreed
- 321 on the Organizational Performance Indicator Framework (OPIF) after presentation
- 322 and negotiation of CITEM's performance measure.
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- 324 5. That the mutually agreed PNA is required to be signed by the GCG and the CITEM
- 325 Governing Board.
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- 327 8. Having no more comments—
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329 "RESOLVED, that the 2015 Performance

330 Negotiation Agreement between the GCG and

331 CITEM, being in order, is hereby APPROVED"

332 (Res. No. BM 2015-11-05)

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## XII. COMPETENCY FRAMEWORK AGREEMENT

1. Every GOCCs is mandated by the Governance Commission for GOCCs (GCG ) to have a Board Approved Organizational Competency Framework, in compliance with GCG Memorandum Circular No. 2015-04;
2. The Organizational Competency Framework is one of the commitments of CITEM during its 2015 Performance Negotiation Agreement with the GCG, under the Learning and Growth component;
3. The organization competency Framework shall set out and define the vital core and technical competencies including leadership competencies that the agency require to achieve its vision and long-term goal.
4. Likewise, the Competency Framework will ensure efficiency and effectiveness in CITEM operations.
5. Having no more comments and clarifications and upon motion duly made and seconded, it was—

"RESOLVED, that the Proposed Competency Framework of CITEM, being in order, is hereby APPROVED AND CONFIRMED.

(Res. No. BM 2015-11-06)

## XIII. RATIFICATION OF ACTS OF MANAGEMENT

1. The Corporate Secretary reported that there are 38 and 747 contracts for Ratification and for the information of the Board, respectively.
2. The contracts for ratification and information of the Board are contracts executed and entered by CITEM from 01 December 2014 to 31 May 2015 for consultancy agreements, contracts of lease, contracts of services, procurement of goods, and MOAs.
3. The contracts, MOUs and MOAs presented, except for ex-deals and Service Provider contracts, observed the prescribed government procurement process under RA 9184.
4. Board Member Leila C. Martin, asked if there is a prescribed time to observe in ratifying contracts?
5. The Corporate Secretary replied that there is no prescribed period whether to ratify contracts. CITEM however observed that all perfected contracts are submitted to the COA for review within five (5) working days upon approval, in compliance with COA Circular Numbers 76-34 and 87-278.
6. The Board made a policy that Contracts with amounts PHP 1M and above shall be submitted to the Board at the end of every month for Ratification through Referendum.
7. Having no more comments and clarifications and upon motion duly made and seconded, it was—

"RESOLVED, that the Ratification of Acts of CITEM management for contracts of lease, services, MOAs and other agreements entered into from 01 December 2014 to 31 May 2015, being in order, are hereby RATIFIED"

(Res. No. BM 2014-11-07)



XIV. SCHEDULE OF THE NEXT BOARD MEETING

1. The CITEM Board made a policy that the CITEM Board shall hold its regular meeting every quarter.
2. For the year 2016, the proposed CITEM Board meeting Schedules are as follows:
  - a. February 10, 2016
  - b. May 11, 2016
  - c. July 6 or 11, 2016
  - d. October 11, 2016

XV. ADJOURNMENT

The meeting adjourned at 3:30 in the afternoon.

This 04<sup>th</sup> day of November 2015 at the Department of Trade and Industry, Sen. Gil J. Puyat Ave., Makati City, Philippines.

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