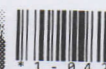




Office of the President of the Philippines
GOVERNANCE COMMISSION
FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



Copy: MDM
Atty Grace
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17 DEC 2018

Date: _____
Time: _____ am/pm
No.: 18-G-210

10 December 2018

MS. PAULINA SUACO-JUAN

Executive Director

**CENTER FOR INTERNATIONAL TRADE
EXPOSITIONS AND MISSIONS (CITEM)**

Golden Shell Pavilion, Roxas Boulevard cor.

Sen. Gil J. Puyat Avenue, Pasay City

**RE : VALIDATION RESULT OF 2017 PERFORMANCE
SCORECARD OF CITEM**

Dear Executive Director Suaco-Juan,

This is to formally transmit the validation result of CITEM's 2017 Performance Scorecard. Based on the validation of documentary submissions, CITEM gained an over-all score of **57.09%** (See **Annex A**). The same is to be posted in CITEM's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07¹.

In relation to its application for the grant of the 2017 PBB to eligible officers and employees, CITEM fails to satisfy the requirements of **GCG MEMORANDUM CIRCULAR (MC) No. 2017-01²** and the *Checklist of Documents to be submitted by GOCCs to Qualify for the 2017 Performance-Based Bonus (PBB)*, particularly the achievement of a weighted-average score of at least 90% in its 2017 Performance Scorecard. In this regard, the Board is reminded that any unilateral action to release the PBB will be considered as a violation of the Board's fiduciary duty to protect the assets of the GOCC as provided under Section 19 of Republic Act No. 10149³.

Consequently, pursuant to GCG M.C. No. 2016-01⁴, failure to qualify for PBB means that the Appointive Members of the Governing Board of CITEM shall not be qualified to receive the Performance-Based Incentive (PBI).

FOR YOUR INFORMATION AND GUIDANCE.

Very truly yours,

SAMUEL G. DAGPIN, JR.

Chairman

MICHAEL P. CLORIBEL

Commissioner

MARITES C. DORAL

Commissioner

cc: COA Chairman **MICHAEL G. AGUINALDO**
COA Resident Auditor - CITEM

¹ Code of Corporate Governance for GOCCs dated 28 November 2012.

² Interim Performance-Based Bonus, dated 09 June 2017.

³ GOCC Governance Act of 2011.

⁴ Compensation Framework for Members of the GOCC Governing Boards, dated 10 May 2016.

**CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS (CITEM)
2017 Performance Scorecard Evaluation**

Component													CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure		Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating									
FINANCIAL	SO 1 Ensure Financial Sustainability																	
	SM 1	Cost Recovery Ratio	Total Income from Promotional Events Organized and Participated / Total Project Cost	15%	30% and Below = 0% 31% to 34% = 3% 35% to 37% = 5% 38% to 41% = 10% 42% and Above = 15%	42%	43.84%	15%	42.87%	15%	2017 COA-Audited Financial Statements Report on Actual Financial Performance Breakdown of Income Breakdown of MOOE	Actual accomplishment revised to include income generated from projects which were incurred by CITEM in the implementation of the project. As such, income from CAEXPO was excluded in the total income from promotional events organized and participated since the entire cost for CAEXPO was shouldered by DTI.						
	Sub-total			15%				15%		15%								
STAKEHOLDERS	SO 2 Provide Stakeholders with a Satisfactory Sourcing and Selling Experience																	
	SM 2	Percentage of Returning Exhibitors in Signature Events	Returning Exhibitors / Total Exhibitors	15%	Actual / Target) x Weight	50% (637 out of 1,274 exhibitors)	54.13%	15%	54.64%	15%	Percentage Calculations of Returning Exhibitors List of New and Returning Exhibitors for Manila FAME and IFEX	In order to compute for the actual accomplishment, the Governance Commission divided the total number of returning exhibitors to the total number of exhibitors instead of CITEM's methodology of computing for the						

Validation Result of 2017 Performance Scorecard (Annex A)

Objective/Measure			Component		Rating Scale	Target	CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks
			Formula	Weight			Actual	Rating	Actual	Rating		
												percentages separately for Manila FAME and IFEX then computing for the average.
SM 3	Customer Satisfaction Rating	-	10%	Actual / Target) x Weight	Achieve Very Satisfactory Rating for the following drivers: Exhibitors: Quantity of Buyer Export Sales Generated VIB: Variety Pricing Non-VIB: Reception at the Airport Pricing	50% Very Satisfactory ¹	5%	Cannot be validated	0%	Narrative Interpretation per Variable as submitted by the consultant Summary of results per variable Table presenting the results of the survey per respondent	Survey instruments rolled out during three events: Manila Fame April, Manila Fame October, and IFEX used different rating scales. The overall rating per customer segment per variable were arrived by averaging the overall rating per event. However, the report did not provide corresponding descriptive rating to be used to interpret the average rating. Considering the reported accomplishment cannot be validated, 0% score is awarded for this measure.	

¹ Exhibitors: Quantity of Buyers, Average: 2.31 (Satisfied) and Export Sales Generated, Average: 2.19 (Satisfied); VIB: Variety, Average: 2.45 (Very Satisfied) and Pricing, Average: 2.45 (Very Satisfied); Non-VIB: Reception at the Airport, Average: 2.60 (Very Satisfied) and Pricing, Average: 2.24 (Satisfied)

Validation Result of 2017 Performance Scorecard (Annex A)

Component						CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating				
INTERNAL PROCESS	SO 3	Increase Stakeholder Awareness										
	SM 4	Percentage of Buyers Attending Signature Events (Manila FAMEs and IFEX)	Number of Actual Buyers Attended / Total Number of Target Buyers	10%	(Actual / Target) x Weight	90% ²	5,234 out of 5,816 89.993%	9.99%	89.99%	10%	Post-event Reports of April and October Manila FAME 2017 and IFEX 2017	Acceptable.
	SO 4	Ensure the Graduation SMs from CITEM Subsidy Availment										
	SM 5	Craft the Optimal Policy for Exhibitor Graduation	-	10%	All or Nothing	1 Board Approved Policy Matrix for Exhibitor Graduation	1 Board Approved Policy Matrix for Exhibitor Graduation	10%	1 Policy Matrix for Exhibitor Graduation approved by the Board on 21 February 2018	0%	Board-approved Policy Matrix Secretary's Certificate for board meeting last 21 February 2018	Accomplishment was not valid for 2017 as the Policy was approved by the Board only in 2018.
	Sub-total		45%				39.99%		25%			
INTERNAL PROCESS	SO 5	Expand Industry Sectors Promoted										
	SM 6	Number of New Sectors Assisted	Absolute Number	10%	(Actual / Target) x Weight	6 (Health and Wellness; Organic; Animation; Visual Arts; Graphic Arts;	6 New Sectors Assigned (Health & Wellness, Organic, Animation, Game	10%	6 New Sectors Assisted (Health & Wellness, Organic, Animation, Game Development,	10%	List of new sectors assisted Post-event Reports	Acceptable.

² Target buyers: 5,816 with IFEX.

Validation Result of 2017 Performance Scorecard (Annex A)

Component			CITEM Submission			GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating	
				and Game Development)	Development, Visual Arts, Graphic Arts)		Visual Arts, Graphic Arts)		
SO 6 Integrate Capacity Building in Expert Promotion Activities									
SM 7	Number of SMEs Benefitting from Capacity-Building Programs	Absolute Number	10%	(Actual / Target) x Weight	475	733	10%	337	7.09%
								Summary Report on the Number of Attendance Benefitting from CITEM Capability-Building Programs	The GCG-validated actual accomplishment of CITEM was based on the submitted supporting documents.
								List of Attendees per event	
								Attendance Sheets	
SM 8	New Merchandise Developed	Absolute Number	10%	(Actual / Target) x Weight	900	1,659	10%	Cannot be validated	0%
								Summary Report on New Merchandise Developed	Submitted supporting documents were not sufficient to validate the accuracy and validity of the reported accomplishment.
								List of New Merchandise Developed with Sample Photos	
Sub-total		30%				30%		17.09%	

Validation Result of 2017 Performance Scorecard (Annex A)

	Objective/Measure	Component		Rating Scale	Target	CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks
		Formula	Weight			Actual	Rating	Actual	Rating		
LEARNING AND GROWTH	SO 7	Improve Organizational Efficiency									
	SM 9	ISO Certification and Annual Management Review	-	5%	All or Nothing	ISO Certification 9001:2015	Conducted the following activities in compliance with the ISO 9001:2015: 1. Appreciation Seminar 2. Risk Based Thinking Approach 3. Internal Quality Audit; Training 4. Management Review 5. Final Gap Assessment 6. First Stage Audit by the External Auditor, AJA Registrars, Inc.	5%	No certification obtained in 2017	0%	Registration Certificate issued by AJA Registrars Minutes of Management Review

Validation Result of 2017 Performance Scorecard (Annex A)

Component					CITEM Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Weight	Rating Scale	Target	Actual	Rating	Actual	Rating			
SO 8	Enhance the Competencies of the CITEM Workforce										
SM 10	Percentage of CITEM Employees Completing the Competency Assessments to Identify the Level of Proficiency of Targeted Individuals	-	5%	All or Nothing	Management – 50% Technical – 50%	Management – 73% Technical – 59%	5%	Management – 73% Technical – 59%	0%	Competency Assessment Report for the Consumer Business Department, Service Business Department and Communications & Creative Services Department Copy of the accomplished assessment forms	Assessment forms for 15 out of 33 employees were not validated by respective supervisors while 2 assessment forms were based on the assessment of supervisors only. CITEM's competency model requires assessment be done both by the employees and their respective supervisors. Considering that the rating scale for this measure is all or nothing, CITEM is awarded 0% score.
Sub-total		10%					10%		0%		
TOTAL		100%					94.99%		57.09%		