

**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<br>(Decrease)<br>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<br/>(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/<br>Project                                   | Date            | Venue                                     | 2015 KEY PERFORMANCE INDICATORS                               |         |       |                           |         |       |                                         |                                       | BUDGET                                                        |     | Target<br>Revenue | CRR |
|-------------------------------------------------------|-----------------|-------------------------------------------|---------------------------------------------------------------|---------|-------|---------------------------|---------|-------|-----------------------------------------|---------------------------------------|---------------------------------------------------------------|-----|-------------------|-----|
|                                                       |                 |                                           | Companies Assisted<br>(Individuals for Design<br>Week Phils.) |         |       | Buyer Inquiries/Attendees |         |       | Export<br>Sales (in<br>Million<br>US\$) | Local<br>Sales (in<br>Million<br>PhP) | Total Project<br>Budget for FY<br>2015<br>(in million<br>PhP) |     |                   |     |
|                                                       |                 |                                           | New                                                           | Regular | TOTAL | Local                     | Foreign | TOTAL |                                         |                                       |                                                               |     |                   |     |
|                                                       |                 |                                           |                                                               |         |       |                           |         |       |                                         |                                       |                                                               |     |                   |     |
| GAA-funded                                            |                 |                                           |                                                               |         |       |                           |         |       |                                         |                                       |                                                               |     |                   |     |
| 1 Winter Fancy Food                                   | 11-13 January   | San Francisco, USA                        |                                                               |         | 16    |                           | 460     | 460   | 15.12                                   | 10.00                                 | 1,080                                                         | 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.GOM)   |                 |                                           |                                                               |         |       |                           |         |       |                                         | 1,000                                 |                                                               |     |                   |     |

# ANNEX A

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

As of 14 December 2014.

| Program/<br>Project | Date          | Venue               | 2015 KEY PERFORMANCE INDICATORS                               |         |       |                           |         |        |                                         |                                       |                                                               |          | BUDGET |  | Target<br>Revenue | CRR |  |
|---------------------|---------------|---------------------|---------------------------------------------------------------|---------|-------|---------------------------|---------|--------|-----------------------------------------|---------------------------------------|---------------------------------------------------------------|----------|--------|--|-------------------|-----|--|
|                     |               |                     | Companies Assisted<br>(Individuals for Design<br>Week Phils.) |         |       | Buyer Inquiries/Attendees |         |        | Export<br>Sales (in<br>Million<br>US\$) | Local<br>Sales (in<br>Million<br>PhP) | Total Project<br>Budget for FY<br>2015<br>(in million<br>PhP) |          |        |  |                   |     |  |
|                     |               |                     | New                                                           | Regular | TOTAL | Local                     | Foreign |        |                                         |                                       |                                                               | TOTAL    |        |  |                   |     |  |
|                     |               |                     |                                                               |         |       |                           |         |        |                                         |                                       |                                                               |          |        |  |                   |     |  |
|                     |               |                     |                                                               |         |       |                           |         |        |                                         |                                       |                                                               |          |        |  |                   |     |  |
| GAA-funded          |               |                     |                                                               |         |       |                           |         |        |                                         |                                       |                                                               |          |        |  |                   |     |  |
| 14 Anuga            | 10-14 October | Cologne,<br>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

[illegible]

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

ANNEX B

| Program/<br>Project                                                                                           | Date                        | Venue                | 2015 KEY PERFORMANCE INDICATORS                               |         |       |                           |         |                                         |                                       | BUDGET                                                     |         | Target<br>Revenue | CRR |  |
|---------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------|---------------------------------------------------------------|---------|-------|---------------------------|---------|-----------------------------------------|---------------------------------------|------------------------------------------------------------|---------|-------------------|-----|--|
|                                                                                                               |                             |                      | Companies Assisted<br>(Individuals for Design<br>Week Phils.) |         |       | Buyer Inquiries/Attendees |         | Export<br>Sales (in<br>Million<br>US\$) | Local<br>Sales (in<br>Million<br>PhP) | Total Project<br>Budget for FY<br>2015<br>(in million PhP) |         |                   |     |  |
|                                                                                                               |                             |                      | New                                                           | Regular | TOTAL | Local                     | Foreign |                                         |                                       |                                                            | TOTAL   |                   |     |  |
|                                                                                                               |                             |                      |                                                               |         |       |                           |         |                                         |                                       |                                                            |         |                   |     |  |
| FOR FUNDING                                                                                                   |                             |                      |                                                               |         |       |                           |         |                                         |                                       |                                                            |         |                   |     |  |
| 13 Fine Food Australia                                                                                        | 20-23<br>September          | Sydney,<br>Australia |                                                               |         |       |                           |         |                                         |                                       |                                                            | 3,000   |                   |     |  |
| 14 Paris Fashion Week                                                                                         | 30 September-<br>07 October | Paris, France        |                                                               |         |       |                           |         |                                         |                                       |                                                            | 10,000  |                   |     |  |
| 15 The Hotel Show                                                                                             | 27-29<br>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) -<br>Manila Wear March - P3.0M;<br>Manila Wear October - P3.0M    |                             |                      |                                                               |         |       |                           |         |                                         |                                       |                                                            | 4,000   |                   |     |  |
| 20 Neo Textiles (A component of Manila FAME) -<br>Neo Textiles March - P2.0M; Neo Textiles<br>October - P2.0M |                             |                      |                                                               |         |       |                           |         |                                         |                                       |                                                            |         |                   |     |  |
| GRAND TOTAL                                                                                                   |                             |                      |                                                               |         |       |                           |         |                                         |                                       |                                                            | 125,500 |                   |     |  |

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

| Program/<br>Project                                                                                           | Date                         | Venue         | 2015 KEY PERFORMANCE INDICATORS                               |         |       |                           |         |                                         |                                       | BUDGET                                                     |       | Target<br>Revenue | CRR |  |
|---------------------------------------------------------------------------------------------------------------|------------------------------|---------------|---------------------------------------------------------------|---------|-------|---------------------------|---------|-----------------------------------------|---------------------------------------|------------------------------------------------------------|-------|-------------------|-----|--|
|                                                                                                               |                              |               | Companies Assisted<br>(Individuals for Design<br>Week Phils.) |         |       | Buyer Inquiries/Attendees |         | Export<br>Sales (in<br>Million<br>US\$) | Local<br>Sales (in<br>Million<br>PhP) | Total Project<br>Budget for FY<br>2015<br>(in million PhP) |       |                   |     |  |
|                                                                                                               |                              |               | New                                                           | Regular | TOTAL | Local                     | Foreign |                                         |                                       |                                                            | TOTAL |                   |     |  |
|                                                                                                               |                              |               |                                                               |         |       |                           |         |                                         |                                       |                                                            |       |                   |     |  |
| FOR FUNDING                                                                                                   |                              |               |                                                               |         |       |                           |         |                                         |                                       |                                                            |       |                   |     |  |
| 13 Paris Fashion Week                                                                                         | 30 September -<br>07 October | Paris, France |                                                               |         |       |                           |         |                                         |                                       |                                                            |       | 10,000            |     |  |
| 14 The Hotel Show                                                                                             | 27-29<br>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) -<br>Manila Wear March - P3.0M;<br>Manila<br>Wear October - P3.0M |                              |               |                                                               |         |       |                           |         |                                         |                                       |                                                            |       | 12,000            |     |  |
| 19 Neo Textiles (A component of Manila FAME) -<br>Neo Textiles March - P2.0M; Neo Textiles<br>October - P2.0M |                              |               |                                                               |         |       |                           |         |                                         |                                       |                                                            |       | 6,000             |     |  |
|                                                                                                               |                              |               |                                                               |         |       |                           |         |                                         |                                       |                                                            |       | 4,000             |     |  |
| GRAND TOTAL                                                                                                   |                              |               |                                                               |         |       |                           |         |                                         |                                       |                                                            |       | 105,500           |     |  |

Off