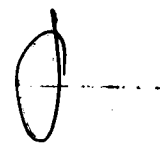


**NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES**
Third Regular Session

)
)
)

24 JUN 22 06:02

SENATE
Proposed Senate Resolution No. 1218



Introduced by Senator Aquilino “Koko” Pimentel III

A RESOLUTION
DIRECTING THE APPROPRIATE SENATE COMMITTEE TO
CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE
PRESENT CIRCUMSTANCES OF THE CENTER FOR
INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS
(CITEM), WITH THE END IN VIEW OF FORMULATING
POLICIES FOR REFORMING IT

1 **WHEREAS**, the Center for International Trade Expositions and
2 Missions (CITEM) is a government-owned or controlled corporation
3 (GOCC);
4

5 **WHEREAS**, the CITEM has a mandate to develop, nurture, and
6 promote micro, small and medium enterprises, brands, designers, and
7 manufacturers by implementing an integrated approach to export
8 marketing in partnership with other government and private entities.¹ In
9 short, CITEM is to promote Philippine products to the world;
10

11 **WHEREAS**, the CITEM is partially subsidized by the National
12 Government through the General Appropriations Act. Its allocation is
13 P195.6 Million in the 2024 GAA;
14

15 **WHEREAS**, as of the moment, the CITEM promotes Philippine
16 products to only six countries (Germany, France, Japan, Malaysia,

¹ 2025 Expenditure Program of the Department of Trade and Industry. Prepared by the Legislative Budget Research and Monitoring Office of the Senate of the Philippines.

1 UAE, and China) covering only two product sectors, namely Home and
2 Fashion, and Processed Food;

3
4 **WHEREAS**, the CITEM seems to be encountering a lot of issues
5 and challenges which prevent it from fully functioning and fulfilling its
6 mandate as mentioned above;

7
8 **WHEREAS**, some of the well-known issues and challenges that
9 CITEM is currently facing are the following, among others:

- 10 1. The high costs of exhibition spaces;
- 11 2. Other government agencies such as the Department of
- 12 Agriculture, the Department of Science and Technology, the
- 13 Department of Information and Communications Technology,
- 14 and some agencies within the Department of Trade and Industry
- 15 conduct their own promotional events resulting to direct
- 16 competition and duplication of functions;
- 17 3. The present office building of the CITEM, the Golden Shell
- 18 Pavilion, has been declared structurally precarious by the
- 19 Department of Public Works and Highways and the CITEM was
- 20 advised to move out at the soonest possible time;

21
22 **WHEREAS**, the CITEM is mandated to earn revenues to cover
23 salaries, capital expenditures, and travels. The CITEM, as a partially
24 subsidized government-owned or controlled corporation, has to pass on
25 at least eighty percent (80%) of its cost to exhibitors in the form of
26 participation fees in order to survive;

27
28 **WHEREAS**, the CITEM is the owner of a prime lot with an area
29 of 4.9 hectares² from which it is **not** earning reasonable revenues which
30 should and could have been used for its operations in fulfillment of its
31 mandate;

32
33 **WHEREAS**, that said prime government lot has been leased under
34 a long-term lease contract with the Philippine Exporters Confederation,
35 Inc. (PHILEXPORT) for a very minimal rental amount of One Thousand
36 Pesos (P1,000) per year. This long-term lease contract was entered into
37 or authorized by then DTI Secretary Rizalino S. Navarro on January 23,

² Covered by TCT No. 34996.

1 1996. It is for a period of fifty (50) years, renewable for another twenty-
2 five (25) years at the option of the lessee PHILEXPORT;

3
4 **WHEREAS**, the undersigned has received a report that CITEM's
5 lessee over this said prime government lot can charge at least fifteen
6 million pesos (P15,000,000) for a 3-day exhibition in the premises. Under
7 the long-term lease contract terms, this is an amount which CITEM can
8 earn as the lessor for 15,000 years;

9
10 **WHEREAS**, it is clear that CITEM needs to sort out its problems
11 in order for it to be able to effectively pursue its mandate, including the
12 way out of that long-term lease contract which is grossly disadvantageous
13 to the Government;

14
15 **NOW, THEREFORE, BE IT RESOLVED** as it is hereby
16 resolved, to direct the appropriate Senate committee to conduct an
17 inquiry, in aid of legislation, on the present circumstances of the Center
18 for International Trade Expositions and Missions (CITEM), with the end
19 in view of formulating policies for reforming it.

Adopted,


AQUILINO "KOKO" PIMENTEL III