

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Batasan Hills, Quezon City

**EIGHTEENTH CONGRESS**  
Third Regular Session

**HOUSE RESOLUTION NO. 2051**



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Introduced by Honorable Representative  
**ARLENE D. BROSAS (Gabriela Women's Party)**

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**A RESOLUTION URGING THE HOUSE COMMITTEE ON LOCAL GOVERNMENT TO INVESTIGATE, IN AID OF LEGISLATION, THE P5.5-BILLION JOINT VENTURE AGREEMENT BETWEEN CEBU CITY AND MEGAWIDE CONSTRUCTION CORPORATION TO PRIVATIZE THE CARBON PUBLIC MARKET, AND ITS IMPACTS ON THE LIVELIHOOD OF THOUSANDS OF STALL HOLDERS, VENDORS, DRIVERS AND WORKERS**

**WHEREAS**, Section 9 Article II of the 1987 Constitution stipulates the policy of the State to “promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all”;

**WHEREAS**, Carbon Public Market is the oldest and largest farmers’ market in Cebu City. It is controlled by the local government of Cebu City;

**WHEREAS**, the local government of Cebu City entered a P5.5 billion joint venture agreement with the Megawide Construction Corporation to commercialize and privatize the existing Carbon Public Market. Megawide will transform the Carbon Public Market into a business center that consists of a wholesaler’s hub, a transportation hub, a lifestyle village with shops and restaurants, a "boqueria", an airport check-in hotel, and a park with a chapel. The agreement will last for 50 years and can be extended for 25 years;

**WHEREAS**, on January 6, 2021, a resolution that permits the Mayor of Cebu City to sign the contract of the joint venture agreement (JVA) of Cebu City with Megawide Construction Corporation was hastily signed by the Cebu City Council;

**WHEREAS**, Cebu City Mayor, Edgardo Labella, signed the JVA with Megawide Construction Corp. on January 11, 2021;

**WHEREAS**, according to Megawide, the “development will be spread out in phases over 5 years upon its start date.” The construction of Phase 1 of Carbon’s commercialization will start this year;

**WHEREAS**, according to Megawide Construction Corp., Cebu City will receive an annual guaranteed income of P70 million from the project – P50 million annual net income subject to a 10% increase every five years and an estimated P20 million for business and property taxes annually. However, based on the contract, the City will receive an annual graduated payment of P5 million on the first year from the initial construction start date, P14 million on the second year, 34 million on the third, 48 million on the fourth, and P50 million with an escalation of 10% every 5 years on the fifth year and onwards;

**WHEREAS**, they claim that the city government will still be in charge of the operation and management of the market. However, according to section 7.1 of the agreement, the Megawide is responsible for the collection of fees and charges and the maintenance of the market;

**WHEREAS**, according to the Cebu Market Vendors Multipurpose Cooperative (CEMVEDCO), there was no proper consultation between the stakeholders, city government, and Megawide;

**WHEREAS**, the public-private partnership agreement of Cebu City and Megawide Construction Corp. will seriously damage the source of income of more than 1,400 stallholders, more than 3,500 street and sidewalk vendors, hundreds of trisikad drivers and operators, e-bike drivers and operators, and kargadores and karomatores;

**WHEREAS**, farmers, backyard hog raisers and fisherfolks who bring their products and buy supplies and needs in Carbon will be also be affected;

**WHEREAS**, the multibillion project will displace hundreds of families who reside in Sitio Bato Barangay Ermita and Sitio Lutaw-lutaw Barangay Sto. Niño;

**WHEREAS**, the privatization of the Carbon Market will increase the rental rates and prices of basic commodities in the market;

**WHEREAS**, most of Cebu City Council had insufficient time to completely read and examine thoroughly the joint venture agreement. Furthermore, there was no public hearing conducted;

**WHEREAS**, there is a strong opposition and objections from various groups of vendors, stall owners, residents and consumers;

**WHEREAS**, the project has grossly neglected the welfare of vendors, stall owners, drivers and operators, farmers, fisherfolks, and backyard raisers. The commercialization and privatization of Cebu Carbon Public Market will only serve the business interest of Megawide Construction Corporation.

**NOW THEREFORE BE IT RESOLVED**, that the House Committee on Local Government investigate, in aid of legislation, the P5.5 billion joint venture agreement of Cebu City with the Megawide Construction Corporation to privatize the Carbon Public Market, and the JVA's impacts on the livelihood of thousands of stall holders, vendors, drivers and workers.

Adopted,



**ARLENE D. BROSAS**  
**Gabriela Women's Party**