

**ASEAN-CHINA FREE TRADE AREA  
BILATERAL TRADE RELATION BETWEEN  
INDONESIA-CHINA IN IMPLEMENTATION ACFTA  
(2002-2010)**

**UNDERGRADUATE THESIS**



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2018**

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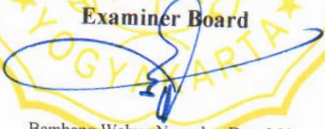
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This undergraduate thesis has been examined and endorsed by the board of examiners from the Departement of International Relation, Faculty of Social and Political Sciences, Universitas Muhammadiyah Yogyakarta:

Day/Date : Saturday, 13 July 2019  
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## STATEMENT OF ORIGINALITY

This is to certify that to the best of my knowledge, the content of this thesis and research is my own work. This thesis has not been submitted for any degree or other purposes.

I certify that the intellectual content of this thesis is the product of my own work and that all the assistance received in preparing this thesis and sources have been acknowledged.

Yogyakarta, July 13<sup>th</sup> 2019



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Yogyakarta, Saturday 13<sup>rd</sup> 2018

## TABLE OF CONTENTS

TITLE PAGE .....	i
ENDORSEMENT PAGE.....	<b>Error! Bookmark not defined.</b>
STATEMENT OF ORIGINALITY .....	<b>Error! Bookmark not defined.</b>
ACKNOWLEDGEMENT .....	iv
TABLE OF CONTENTS .....	v
EXTENDED GRATITUDE.....	vii
LIST OF TABLES .....	viii
ABSTRACT .....	ix
CHAPTER I INTRODUCTION .....	1
A. Background.....	1
B. Research Question .....	4
C. Theoretical Framework.....	4
1. Theory of Free Trade.....	4
D. Hypothesis .....	6
E. Research Purpose.....	6
F. Research Method .....	6
G. Scope of Research.....	7
H. Outline .....	7
CHAPTER II THE BACKGROUND OF ASEAN – CHINA FREE TRADE AREA COOPERATION .....	9
A. Free Trade Cooperation in the ASEAN Region .....	9
B. The Meaning of ACFTA.....	11
C. The framework of Agreement and Mechanism of ACFTA .....	13
1. Framework Agreement of ACFTA .....	13
2. Mechanism of ACFTA.....	15
D. Indonesia Ratification as ASEAN stating to Joining ACFTA and The Implementation .....	20
1. Indonesia Ratification as ASEAN Member States to Joining ACFTA.....	20
2. Indonesia Aims to Join the ACFTA .....	20
3. Benefits of Applying the ACFTA for Indonesia ....	22

CHAPTER III THE DEVELOPMENT OF INDONESIA – CHINA TRADE RELATIONS .....	24
A. The Development of Indonesia Trading Policy with China .....	24
B. Trading Relations Between Indonesia and China Before ACFTA Implementation .....	27
C. China Market Expansion for Domestic Industries .....	28
D. Indonesia Government Steps Face to ACFTA.....	30
CHAPTER IV BILATERAL TRADE RELATIONS BETWEEN INDONESIA AND CHINA POST RATIFICATION OF ACFTA .....	33
A. The Implementation of ACFTA and the Impact Toward Indonesian Economy .....	33
B. Increasing the Competitiveness as a Strategy for the Indonesian Government in Facing ACFTA.....	39
1. Infrastructure .....	39
2. Investment Climate .....	39
3. The Effectiveness of the Implementation of Investment Relations Program .....	40
C. The Government Implemented a Protection Policy Against Indonesian Products .....	41
1. Tariff .....	43
2. Quota .....	44
3. Subsidies.....	44
4. Supervision of Export-Import .....	45
CHAPTER V CONCLUSION .....	46
REFERENCES.....	49

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## LIST OF TABLES

Table 1	1.1 Trade Relation Between Indonesia and China 2009-2011 (Thousand US Dollars).....	3
Table 2	3.1 Table II. Export-Import Indonesia to China 2000 – 2003 (million US\$).....	27
Table 3	3.2 Trade Relation Between Indonesia and China (2004-2012) .....	29
Table 4	4.1 The Realization of Export - Import from China to Indonesia Before the Signing of ACFTA .....	37
Table 5	4.2 Indonesia and China After Implementation ACFTA (2004-2010) .....	37
Table 6	4.3 Bilateral Trade of Indonesia-China After the Implementation of ACFTA (2010-2015).....	38

## ABSTRACT

Over time, the development of the world economy today, especially international trade, has entered a free trade regime where some countries and circles consider free trade as a form of occupation of new models. In international trade, uninterrupted trade in the country has the opportunity to benefit each country through the specialization of commodity products that are favored by each country, but in reality, the opening of an economy does not necessarily create prosperity for all countries involved in inside it.

International agreements such as free trade agreements are often used by countries as political instruments for national interests. International agreements in the field of trade are utilized by countries that have producers to eliminate or minimize the obstacles that exist in countries that have consumers and markets.

One such agreement is ACFTA. ACFTA has positive things if we look carefully. Whereas the form of the ACFTA agreement is to create a free trade area by removing barriers to trade in goods both tariffs and non-tariffs, increasing access to market services, regulations and investment provisions, as well as increasing aspects of economic cooperation to encourage economic relations between the ACFTA parties in improving community welfare ASEAN and China.

We have to make large walls to compete in the market. What must be done is to improve the existing infrastructure. The government will also give intensive to the industry if it is needed. Besides, technological capabilities and human resources must continue to be improved. The most important thing is how to develop connectivity so that efficiency can occur. It is essential for Indonesia to prepare everything before following the Free Trade Agreement in the future. The government and business actors need to prepare various efforts and steps in the future relating to free trade.

**Keyword:** *Free Trade, ACFTA, Indonesia, Export-Import*