ABSTRACT

From several ASEAN partners, China is a country that experienced the most rapid growth. Post-reform Deng Xio Ping, China is progressing very large, especially in the economic field. In fact today China has become one of the world's movers perkeonomian. This can be seen on Chinese products that have been able to reach different parts of the world. In addition to the vast area of ​​China's trade also has advantages where the price of products on offer are much cheaper. Besides, China has the largest population in the world and the advancement of technology and other infrastructure which of course can support the country's progress.

Indonesia is very affected by this ACFTA agreement, therefore the Government needs to take decisive steps to improve and protect domestic industries from the invasion of Chinese goods that have mastered the Indonesian domestic market. Governments need to develop strategies and take appropriate policy either by renegotiating with China, strengthening and securing the domestic market, improve their competitiveness. besides the construction of industrial and trade policies Indonesian government was determined to improve national competitiveness in order to realize sustainable development by increasing national productivity continuously through the mastery of science and technology and human resource development.