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## Legal Politics of The Asean-China Free Trade Agreement (ACFTA) in The Principles of National Economic Prosperity

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### Keywords

presidential authority, international trade agreements, asean-china free trade agreement

### Abstract

This research wants to find that Article 84 of Law number 7 of 2014 solves Legal Politics of The Asean-China Free Trade Agreement AC-FTA trade agreement on the macro economy in terms of the principle of national economic welfare and state institutions ratifying the AC-FTA trade agreement from the perspective of the separation of powers theory in frame of the Indonesian constitutional system. Type of research used is normative with approach conceptual and regulatory legislation that is special study the Asean-China Free Trade Agreement (ACFTA) and law number 7 of 2014 concerning trade. The research method used in this research is a normative juridical research method through literature studies which examine primary, secondary and tertiary legal materials. The results of the research are that the attribution of the President's authority to ratify the AC-FTA trade agreement has consequences for the national economy at a macro level in terms of the principle of national economic prosperity.



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### 1. Introduction

Current world economic developments, especially international trade, have entered a free trade regime *where* some countries and groups consider free trade to be a new form of colonialism. In international trade, trade between countries without barriers has the opportunity to provide benefits for each country through specialization in commodity products that are favored by each country, but in reality, as an economy becomes more open, this does not necessarily create prosperity for all countries involved. Inside it. The absence of barriers is often identified with free trade (Rahman, 2016). However, this does not mean that the presence of these goods or services is not accompanied by discrimination or presents discrimination in the national market (Wijatno & Gunadi, 2014). The ASEAN-China *Free Trade Agreement* or ACFTA was initially initiated based on the agreement of the ASEAN-China Summit participants in Brunei Darussalam in November 2001. The following year (2002), the *Framework Agreement on Comprehensive Economic Corporation* was signed by the participant of the ASEAN-China Summit in Pnom Penh. Indonesia has actually opened its market to ASEAN countries and China since January 1 2010. This market opening is an implementation of the ACFTA free trade agreement. Imported products from ASEAN and China are easier to enter Indonesia and cheaper because of the reduction in tariffs and elimination of tariffs, and tariffs will be zero percent within a period of three years. On the other hand, Indonesia also has the same opportunity to enter the domestic markets of ASEAN countries and China.

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However, in practice, the bankruptcy of domestic companies, especially the local industrial sector, is the impact of the flood of Chinese products. Gradually, as the industry goes bankrupt, local workers will be threatened with layoffs (Wijatno & Gunadi, 2014).

The Ministry of Industry believes that the ASEAN-China trade agreement or *ASEAN-China Free Trade Agreement* (ACFTA) will ultimately be the culprit behind the flood of imported products, especially from China, due to a lack of understanding of the free trade agreement. "Many imported products are flooding the domestic market, because many parties have not studied the negative impacts of implementing ACFTA trade cooperation. To increase the competitiveness of domestic industry, the government is expected to study trade cooperation with other countries because of the impact of ACFTA cooperation and the lack of energy supply and level Bank interest rates that are still high are two main factors that hamper the competitiveness of domestic industry (Aminoto & Merdekawati, 2015).

ACFTA has not had a beneficial impact on the economy which is beneficial for the Indonesian economy, especially imported textile goods. With the exemption from import duties on textile products regulated under the *High Sensitive List* (HSL) modality scheme, imported Chinese textile products weaken the local textile market. Consumers tend to choose imported Chinese products which are much cheaper and of better quality than local products (Agusman & Fatihah, 2019). This tendency causes local entrepreneurs to suffer losses and the level of supply of the country's textile production is threatened. ACFTA is the most visible instrument of neoliberalism, namely deregulation and free trade. Then what deregulation presented in the form of market opening between China and ASEAN made the Indonesian market even more open and posed a threat to domestic business actors (Krishna, Mansfield, & Mathis, 2012). In the free trade scheme, the Indonesian government should be better prepared to implement this agreement without harming the parties involved in it. In reality, Indonesia is far from preparing itself to participate in ACFTA, because in the ACFTA agreement as an instrument of state interests in improving the country's economy, there are still several parties who suffer losses and cause fraud in trade which ultimately causes losses to the country itself (Agustina & Windiani, 2018).

The influence of this international trade agreement is so large, the 60-day discussion period is not enough to explore the contents of the international trade agreement. It requires an in-depth study carried out by a competent team from various points of view (Muhammadin, Awfa, & Anjani, 2019). The economic perspective is the main priority in ratifying this international trade agreement. How does it affect the national economy at a macro level, how can local players compete against the impact of imported products. The industrial point of view is a reflection of the economic point of view. A catalyst is needed to move local industry, rather than having international trade agreements kill local industry. The international relations perspective needs to be used as the basis for our political strategies in the international world, especially international trade.

## 2. Materials and Methods

Type of research used is normative with approach conceptual and regulatory legislation that is special study the Asean-China Free Trade Agreement (ACFTA) and law number 7 of 2014 concerning trade.

## 3. Results and Discussions

According to data from the Asian Development Bank, Indonesia has committed itself to eleven free trade agreements, both bilateral and plurilateral, seven are currently being negotiated, and four more agreements have been signed but have not yet entered into force. Previously, Indonesia had been a member and involved in negotiations on the General Agreement on Tariffs and Trade (GATT) since 1950 and had been a member of the WTO which replaced GATT since 1995. Through ratification of the Agreement Establishing the World Trade Organization through Law Number 7 of 1994. In the ASEAN context, Indonesia is bound to a free trade agreement through the 1995 ASEAN Framework Agreement on Services (AFAS) which Indonesia ratified with a Presidential Decree No. 88 of 1995; The 2009 ASEAN Trade in Goods Agreement (ATIGA) which Indonesia ratified in 2010 with Presidential Regulation no. 2 of 2010; The 2009 ASEAN Comprehensive Investment Agreement (ACIA) which Indonesia ratified in 2011 with Presidential Regulation no. 49 of 2011. Apart from that, Indonesia and ASEAN are also bound by an economic cooperation framework agreement in the context of free trade with several other countries such as Australia, China, India, Japan, South Korea and New Zealand.

Since its first appearance in the form of a preferential trade agreement (PTA) in the last century, free trade agreements have developed in such a way (Women, 2021). If initially it only regulated the elimination or reduction of tariffs, free trade agreements now include non-tariff aspects such as protection of intellectual property rights, labor, strategic goods such as pharmaceuticals, the role of state-owned enterprises, business

competition, dispute resolution mechanisms., etc. Thus, the material of the free trade agreement includes aspects regulated in law and even in the 1945 Constitution (UUD).

In several cases, the Constitution and certain laws give a large role to the state in regulating the economy in such a way as to ensure the creation of economic sovereignty for the welfare of all people. The form of the state's role in question is carried out, among other things, through protection for business actors and the production of domestic goods and services by imposing import tariffs and import quotas for products from abroad or other barriers to entry. Meanwhile, on the other hand, in general, the free trade regime views forms of protection carried out by the state as a distortion to the economy and this distortion needs to be reduced or even eliminated.

Considering that Indonesia has been bound or is negotiating to bind itself to such international agreements, it is very important to examine whether laws and legislation regarding the power to bind countries to international agreements including international trade agreements have been formed based on the principle of popular sovereignty. In other words, do laws and regulations allocate sufficient power to people's representative institutions to control government actions in binding the country to international treaties and international trade agreements? This article aims to answer this question by first explaining and analyzing how national law places international law in its legal system; how national law regulates the involvement of people's representative institutions and the extent of the government's authority, in this case the president, in determining whether or not to be bound by international treaties and international trade agreements and the procedures that must be followed. Exposure and review are based on the principle that government actions must be controlled by people's representative institutions and judicial institutions in certain cases in accordance with their functions.

In this study, it was found that the laws and regulations governing the power to bind countries to international treaties and international trade agreements are problematic. The government's power in binding countries to international treaties and international trade agreements is too great. This occurs as a result of the law and related legislation failing to formulate appropriate provisions so that the DPR can carry out its control function over the government. Indonesian law and legislation have also failed to formulate the role of judicial institutions in placing international law in the national law implementation system. Also, how to test the constitutionality of an international agreement (Qc, 2019).

In contrast to the United States, Philippines, or Germany -to name a few- which write explicitly in their respective constitutions that international law is part of national law, Indonesia is included in the group of countries which, on the other hand, do not mention it explicitly. In the 1945 Constitution, references related to international law only concern the power to make international agreements which is placed in the hands of the President. Article 11 Paragraph (1) of the 1945 Constitution states in full: "The President, with the approval of the House of Representatives, declares war, makes peace and makes agreements with other countries." The other two paragraphs in this article each only regulate categories of international agreements whose drafting must be approved by the DPR and further provisions regarding international agreements which will be regulated in a law. These two verses appeared later as part of the fourth amendment to the Constitution in 2002 (Kusumaatmadja & Agoes, 2021).

If Article 11 of the 1945 Constitution clearly mentions the existence of international agreements, the other articles of the constitution do not at all mention other international laws which originate from customary international law, an international law which has the same qualifications as international agreements. However, the existence of customary international law is mentioned in several laws, such as: Law Number 37 of 1999 concerning Foreign Relations (Foreign Relations Law). In this law, it is stipulated that foreign relations must be carried out based on foreign policy, national legislation, and international law and customs. The granting of immunity and special rights to diplomats and consular officers is also based on this. Thus, the Foreign Relations Law recognizes that customary law is a source of Indonesian law as well. Of course the question arises, how does Indonesian law view the existence of customary international law which regulates other fields outside those mentioned in the Foreign Relations Law? So far, written Indonesian law has not yet answered this completely (Tenripadang, 2016).

By referring only to Article 11 of the Constitution and the Foreign Relations Law, Indonesian law clearly recognizes that international law (including customary international law) is binding on it and is a source of law. However, the regulations above do not yet explain how Indonesia expresses its expression of attachment (*consent to be bound*) to certain international laws specifically and the legal procedures that must be followed domestically for that binding. However, since 2000, with the publication of Law Number 24 of 2000 concerning International Agreements (International Agreement Law), technical and procedural provisions regarding international agreements

and how Indonesia makes statements of being bound by them have been regulated in more detail. Later, with the Trade Law, it also regulated how Indonesia binds itself to international trade agreements.

On the other hand, even though Indonesia is bound by international law, the constitution and legislation mentioned above do not explain and regulate how inter-state law is implemented and enforced as part of the daily implementation and enforcement of national law (Agusman & Fatihah, 2019). Do state officials, state bodies, and citizens also use relevant international law as a basis for acting as well as a source of rights and obligations? Do judges use international law as a source of law as they use statutory sources of law in deciding related cases? And when it is stated that international law is a source of national law, where is it located in the national legal hierarchy system? (Aminoto & Merdekawati, 2015) Is the attribution of government authority, in this case the President, in ratifying trade agreements in accordance with what is mandated in the preamble to the 1945 Constitution?

Similar to governments from other countries, the Indonesian government views that international law is binding on it. From the actions and words of relevant officials, it can be seen that Indonesia uses international law as a reference for acting, especially in relation to international relations. As the number of international agreements made by countries including Indonesia increases, the number of international agreements or conventions that the Indonesian government has signed, ratified or acceded to also continues to increase. However, this fact does not necessarily indicate that the implementation of international law in the country is proceeding as well as national law, where judges directly use national law as a source of law in deciding related cases. The implementation of international law is not like that. In a court decision, it was found that international law (in the form of international agreements) can only be implemented when national law has been created to implement that international law (Bermann, 2017).

However, this does not mean that the court made no reference at all to international law. One researcher, Simon Butt, noted that judges use international law in their decisions not as a source of law like a source of national law, but instead use international law "to support their interpretation of national law." and "only uses international law to help fill the gaps in Indonesian law" (Butt, 2014) However, in contrast to what Butt mentioned, in a Supreme Court decision regarding the death penalty, the judge clearly stated in his decision that the imposition of the death penalty was contrary to Article 3 of the *Universal Declaration of Human Rights*. So, it is quite reasonable when Damos Dumoli Agusman noted - as conveyed by "Online Law" - that judges or courts "have not been consistent in applying international law." Judges' references to international law are aimed primarily at international law in the form of or originating from international treaties, references to customary international law are even more minimal (Muhammadin et al., 2019).

However, regardless of whether there are mechanisms and implementation and enforcement within the country, Indonesia is responsible for fulfilling its obligations to the party or parties as stated in international agreements (*pacta sunt servanda*). Fulfilling the obligations of each party as written in international agreements has become a rule of customary international law (Cassese, n.d.).

One of the trade agreements is the regional agreement between ASEAN member countries and China, namely the *ASEAN-China Free Trade Agreement* or ACFTA scheme. Ratification of the *Framework Agreement on Comprehensive Economic Co-Operation Between The Association of South East Asian Nations and The People of China* (Framework Agreement Concerning Comprehensive Economic Cooperation Between Member Countries of the Association of Southeast Asian Nations and the People's Republic of China) on November 4 2002 . ACFTA is a regional economic cooperation agreement that includes free trade between ASEAN countries and China to create a free trade area by eliminating or reducing barriers to trade in goods, both tariffs and non-tariffs, increasing service market access, investment regulations and conditions, reducing fraud. trade fraud by facilitating tariff reductions while encouraging economic relations between the ACFTA parties in order to improve the welfare of the ASEAN and Chinese people. This agreement has the principle of free trade which has a concept that refers to the *Harmonized Commodity Description and Coding System* (HS) with the provisions of the *World Customs Organization* which is based in Brussels, Belgium by prioritizing sales of products between countries without export-import taxes or other trade barriers.

Current world economic developments, especially international trade, have entered a free trade regime *where* some countries and groups consider free trade to be a new form of colonialism. In international trade, trade between countries without barriers has the opportunity to provide benefits for each country through specialization in commodity products that are favored by each country, but in reality, as an economy becomes more open, this does not necessarily create prosperity for all countries involved. inside it. The absence of barriers is often identified with free trade. However, this does not mean that the presence of these goods or services is not accompanied by discrimination or presents discrimination in the national market (Serian Wijatno, 2014). The *ASEAN-China Free Trade Agreement or ACFTA was initially initiated based on the agreement of the ASEAN-China Summit* participants in Brunei Darussalam in November 2001. The following year (2002), *the Framework Agreement on Comprehensive Economic Corporation*

was signed by the participant of the ASEAN-China *Summit* in Pnom Penh. Indonesia has actually opened its market to ASEAN countries and China since January 1 2010. This market opening is an implementation of the ACFTA free trade agreement. Imported products from ASEAN and China are easier to enter Indonesia and cheaper because of the reduction in tariffs and elimination of tariffs, and tariffs will be zero percent within a period of three years. On the other hand, Indonesia also has the same opportunity to enter the domestic markets of ASEAN countries and China.

However, in practice, the bankruptcy of domestic companies, especially the local industrial sector, is the impact of the flood of Chinese products. Gradually, as the industry goes bankrupt, local workers will be threatened with layoffs. The Ministry of Industry believes that the ASEAN-China trade agreement or *ASEAN-China Free Trade Agreement* (ACFTA) will ultimately be the culprit behind the flood of imported products, especially from China, due to a lack of understanding of the free trade agreement. "Many imported products are flooding the domestic market, because many parties have not studied the negative impacts of implementing ACFTA trade cooperation. To increase the competitiveness of domestic industry, the government is expected to study trade cooperation with other countries because of the impact of ACFTA cooperation and the lack of energy supply and level Bank interest rates that are still high are two main factors that hamper the competitiveness of domestic industry.

Indonesia's weak competitiveness in facing the ACFTA free trade agreement will increase the risk of deindustrialization. This is exacerbated by the absence of a comprehensive industrial design and maximum efforts to reduce production. The country is faced with a number of paradoxes that could hamper growth from a middle-income country to a more developed country. Industry in the country is still inefficient where the population is large but this is not offset by low productivity. Excessive liquidity in financial markets is also not accompanied by sufficient intermediation. Another paradox is large economic size but low competition. Meanwhile, the low competitiveness of Indonesian industry stems from the widespread export of raw materials. This makes domestic industry short of raw materials.

ACFTA has not had a beneficial impact on the economy which is beneficial for the Indonesian economy, especially imported textile goods. With the exemption from import duties on textile products regulated under the *High Sensitive List* (HSL) modality scheme, imported Chinese textile products weaken the local textile market. Consumers tend to choose imported Chinese products which are much cheaper and of better quality than local products. This tendency causes local entrepreneurs to suffer losses and the level of supply of the country's textile production is threatened. ACFTA is the most visible instrument of neoliberalism, namely deregulation and free trade. Then what deregulation presented in the form of market opening between China and ASEAN made the Indonesian market even more open and posed a threat to domestic business actors. In the free trade scheme, the Indonesian government should be better prepared to implement this agreement without harming the parties involved in it. In reality, Indonesia is far from preparing itself to participate in ACFTA, because in the ACFTA agreement as an instrument of state interests in improving the country's economy, there are still several parties who suffer losses and cause fraud in trade which ultimately causes losses to the country itself.

One form of public protest was carried out by the Civil Society Coalition for Justice, which urged the DPR to postpone the ratification of the trade agreement because it could potentially harm society. According to the Ministry of Trade, as of March 2019, there were 12 international trade agreements in the ratification stage. Some of them are the comprehensive economic partnership agreement between Indonesia-Australia (IA-CEPA), the comprehensive economic partnership agreement between *Indonesia-European Free Trade Association* (Indonesia-EFTA CEPA), and the ASEAN agreement on electronic trade. On the other hand, the coalition stated that there was a lack of transparency and it was not carried out democratically, it was even thought that the DPR had never opened or invited civil society to provide views on the impact analysis.

The three largest suppliers of non-oil and gas imported goods during January-December 2019 were China with a value of US\$44.58 billion (29.95 percent), Japan US\$15.59 billion (10.47 percent), and Thailand US\$9.41 billion (6.32 percent). Imported products are still dominated by China and dominate the existing local market, coupled with the implementation of *preferential tariffs* on ACFTA so that *the cost* of imported products is very small due to the 0% fuel tariff for almost all imported products. The large number of Chinese products entering the Indonesian market has made Indonesian products unable to compete, especially against similar products. Where Chinese products entering the Indonesian market have quality and prices that are not much different from local products. This could be due to the high and efficient labor productivity in China and supported by low wages. As the entry of Chinese products into Indonesia increases, it is not impossible that the domestic market will be completely dominated by products from China, also supported by low competitiveness. from similar products which are domestically made. So, it can be said that the implementation of the ASEAN-China free trade agreement has more costs than benefits for Indonesia. If import duties on imported products from China are reduced to 0%, imported goods from China will automatically be sold

cheaper than local goods. If local food and agricultural production is not supported by government subsidies, production costs will be higher and the goods will also be increasingly unable to compete with imports because they are expensive. Indonesia's further difficulty in suppressing the import chain from China is due to the fact that domestic policy readiness to protect domestic markets and consumers is still weak.

In the midst of this free trade era, Indonesia has not yet made a consumer protection policy for imported goods, both in terms of health, safety and suitability for domestic consumption. Then, the lack of attention to the development of the manufacturing industry is a serious challenge, so that Indonesia's mainstay export commodities, such as palm oil, minerals and coal, tend to be based on raw materials rather than finished processed products. This is what makes Indonesia uncompetitive compared to China which is independent in the manufacturing industry.

In the future, Indonesia needs to implement and strengthen the halal certification policy or Indonesian National Standard (SNI) which has been running so far as a means of screening for imported goods from China and other countries. Not only to ensure from the consumer's side whether imported goods are suitable for consumption or not, but also as a means for Indonesia not to open the market as wide as possible to imports of goods from other countries. Because it could be a serious threat to local products and Indonesia's economic growth.

Apart from that, providing government subsidies in the food and agricultural sectors and other processed commodities is very important to reduce production costs. This is because government subsidies can help reduce production costs so that the goods produced when marketed can be cheaper and can compete with imported goods.

The ACFTA free trade area is a development of AFTA which is felt to be less than optimal. AFTA's lack of maximum potential is felt to be an obstacle to the moment of regional integration which demands revitalization to anticipate the dynamics of globalization. Therefore, it is in the context of this revitalization that ASEAN member countries need actors outside ASEAN to trigger AFTA to become more courageous and committed to regional integration. The entry of Chinese actors into the ACFTA free trade mechanism then opens up frontal competition between imported Chinese textile and textile products (TPT) and domestic TPT products, most of which are small and medium scale. The domestic textile industry is unable to face TPT products from China (Agus Rubianto Rahman, 2011).

In fact, the essence of the four goals of the Republic of Indonesia is a just and prosperous society based on Pancasila. In the Fourth Alenia of the Preamble to the 1945 Constitution, the elements of a just and prosperous society based on Pancasila are formulated dynamically and not terminally and utopianly. "If the prosperity of the people (nation) is the goal of the state, it means that the Indonesian state is included in the material law state or *social service state*. Formally, the principle of the rule of law (*social service state*) is outlined in article 1 paragraph (3) of the 1945 Constitution after the amendment which states that "The Indonesian state is a state of law". Conceptually, the rule of law in article 1 paragraph (3) of the 1945 Constitution is the latest conception of the rule of law. Certainty regarding the concept (principle) of the welfare state adopted by the Indonesian constitutional system is known from the fourth paragraph of the Preamble to the 1945 Constitution which relates to the aim of the Republic of Indonesia, namely " *to advance general welfare*". If we start from the Fourth Paragraph of the Preamble to the 1945 Constitution, we can be sure that the aim of the Republic of Indonesia is to provide prosperity for the entire Indonesian nation (general welfare) (Sibuea, 2014). To realize the state's goals, a state leader is needed who upholds the welfare of his people.

In the 1945 Constitution, article 4 paragraph (1), it is stated that the President of the Republic of Indonesia holds governmental powers according to the Constitution. With this supreme power, the President is given full authority in several policies taken, one of which is related to economic policies with reference to the principle of welfare. Domestic economic growth cannot be separated from global economic development. Of course, political diplomacy is very necessary by considering all the positive aspects arising from international agreements, especially in the field of trade. Because it can have far-reaching consequences, article 11 paragraph (2) of the 1945 Constitution states that the President, when making other international agreements, has far-reaching and fundamental consequences for people's lives related to the country's financial burden, and/or requires changes or the establishment of laws. The law must be approved by the House of Representatives. The impact of international trade agreements directly affects national economic growth where the principle of welfare must be the spearhead of the objectives of these international trade agreements.

In the 1945 Constitution, article 33 paragraph (3), it is stated that the national economy is organized based on economic democracy with the principles of togetherness, efficiency, justice, sustainability, environmental awareness, independence, and by maintaining a balance of progress and unity of the national economy. The President, who holds the highest power, has the authority to make other international agreements that are broad and fundamental for the lives of the people which are related to the state's financial burden. It is stated in "article 2 of Law number 24 of 2000 concerning International Agreements that "the Minister provides political considerations and takes the necessary steps

in making and ratifying international agreements by consulting with the House of Representatives in matters involving the public interest. It is also explained in article 10 of Law number 24 of 2000 that ratification of international agreements is carried out by law if it concerns:

- a. political issues, peace, defense and state security;
- b. changes in territory or determination of territorial boundaries of the Republic of Indonesia;
- c. sovereignty or sovereign rights of the state;
- d. human rights and the environment;
- e. establishment of new legal rules;
- f. loans and/or grants abroad.

In Article 11 of Law number 24 of 2000, it is stated that ratification of international agreements with material other than those above is carried out by Presidential Decree. Regarding international trade cooperation with the aim of increasing market access and protecting and securing national interests, the Government can collaborate with other countries and/or international institutions/organizations.

Through the Foreign Relations Law, the International Agreement Law, and the Trade Law, the President's power to make and bind countries to international agreements is regulated further and in more detail. Among other things, the President delegates authority to Ministers or other officials to carry out foreign relations, including being involved in making international agreements. In this provision, legal aspects of officials representing the Indonesian Government are also regulated, such as *full powers* and credentials so that *they can legally be involved in the process of making international agreements such as* negotiating, accepting, signing and binding to international agreements. Officials involved in the process are provided with the Indonesian Delegation Guidelines, a document that contains the background and analysis of problems and Indonesia's position on the issues being negotiated and which will be used as material for the agreement.

As explained above, improvements are needed in Law number 7 of 2014 concerning Trade, namely Article 84 of Law number 7 of 2014 concerning Trade, which has not been able to overcome the problems arising from the *Asean-China Free Trade Agreement (ACFTA)* trade agreement on the economy. at a macro level in the principles of national economic welfare because there are still several weaknesses, including:

- a. The 60 (sixty) day session period given by the DPR to provide a decision on an international trade agreement is too short while the impact of the agreement is very large in the national interest;
- b. The attribution of the President's authority becomes truly unlimited with the 60 (sixty) day limitation period for DPR approval, namely by being able to issue Presidential Regulations on International Trade Agreements and being able to cancel them without the DPR's approval;

There are no measurable parameters that assess whether the International Trade Agreement has broad and fundamental consequences for people's lives related to the financial burden on the state and/or requires changes or the establishment of laws

#### 4. Conclusion

Political law In ratifying the ASEAN-China Free Trade Agreement which has a significant impact on the national economy, an in-depth study of the contents of the regional trade agreement is required. So that the impact of the imposition of preferential tariffs on import duties based on the ACFTA agreement can be reduced for national economic growth. In Article 84 of Law number 7 of 2014 concerning Trade, it has not been able to overcome the problems arising from the Asean-China Free Trade Agreement (ACFTA) trade agreement on the macro economy in terms of the principle of national economic welfare because there are still several weaknesses ; first , the 60 (sixty) day session period given by the DPR to make a decision on an international trade agreement is too short while the impact of the agreement is very large in the national interest; Second , the attribution of the President's authority becomes truly unlimited with the 60 (sixty) day limitation period for DPR approval, namely by being able to issue

Presidential Regulations on International Trade Agreements and being able to cancel them without the DPR's approval ; and thirdly , there are no measurable parameters that assess whether the International Trade Agreement has broad and fundamental consequences for people's lives related to the financial burden on the state and/or requires changes or the establishment of laws.

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