# POSITION PAPER

**Committee:** World Trade Organization (WTO)

**Country:** Republic of Indonesia

**Agenda: Reconstructing the Rules-Based Trading Order: Reforming WTO Dispute Settlement and Trade Rules in an Era of Unilateral Tariffs, Strategic Subsidies and Geoeconomic Fragmentation.**

## I. Background of the Agenda

The World Trade Organization plays an important role in maintaining a predictable and rules-based international trading system. However, the increasing use of unilateral tariffs, strategic subsidies and growing economic divisions among nations have created challenges for global trade.

An important concern is the WTO's dispute settlement mechanism. Since December 2019, the Appellate Body has remained unable to hear appeals, creating a significant gap in the dispute resolution process. These developments highlight the need for meaningful reforms to strengthen the WTO and restore confidence among its member nations.

## II. Position of the Republic of Indonesia

The Republic of Indonesia believes that WTO reforms must promote fairness, transparency and equal opportunities for all member nations.

As a developing economy, Indonesia recognises the importance of protecting domestic industries and encouraging economic growth. Developing countries have different economic capacities and development priorities; therefore, uniform trade regulations may not always address their specific challenges.

Indonesia supports a rules-based trading system but believes that these rules must provide sufficient policy flexibility for developing countries to strengthen their domestic industries without compromising transparency and fairness.

## III. Proposed Solutions

**Reforming Dispute Settlement:** Restore an effective, accessible and reliable dispute settlement mechanism to ensure that trade-related disagreements are resolved fairly.

**Balanced Subsidy Regulations:** Introduce transparent subsidy reporting requirements while ensuring that regulations do not unnecessarily restrict the industrial development of emerging economies.

**Policy Flexibility:** Provide appropriate flexibility to developing countries so that they can support domestic industries according to their economic conditions and development needs.

**Multilateral Cooperation:** Encourage dialogue and cooperation among WTO members to address unilateral trade measures and reduce economic divisions.

**Equal Opportunities:** Ensure that WTO reforms consider the differing economic capacities of developed and developing nations.

## IV. Conclusion

The Republic of Indonesia firmly believes that reforming the WTO should not simply mean introducing new rules, but creating a more balanced and inclusive trading system. International trade must provide opportunities for countries at every stage of development.

Indonesia remains committed to constructive dialogue and cooperation with fellow member nations to build a fair, transparent and effective global trading order.

**Thank you.**