

ABSTRACT

Current global market dynamics have significantly impacted the effectiveness of the international trade regime under the auspices of the WTO. The enactment of Article 232 of the Trade Expansion Act of 1962 by the United States has triggered global friction and exposed the vulnerability of multilateral mechanisms in curbing discriminatory policies disguised as national security justifications, which have also had detrimental impacts on Indonesia. Given the increasing complexity of cross-border transactions, the urgency of strengthening the rule of law through more rigid and applicable regulatory standardization is crucial. This reform is necessary to ensure consistent enforcement of rules and mitigate risks resulting from weak oversight in the global trading system. Therefore, this study aims to provide a normative contribution to reformulating future trade policies to be more resilient and equitable.

Keyword: *Most Favoured Nation, Section 232, GATT 1994, World Trade Organization*