**ABSTRACT**

World Trade Organization is the only international organization that specifically regulate the interstate commerce issues. One of the function of WTO is trade dispute settlement between countries through the dispute settlement Mechanism which is consist of Consultation, Panel, Appeals and Implementation after Recommendation or decision of the Dispute Settlement Body. This dispute settlement mechanism could be a solution over trade dispute between Indonesia and South Korea in South Korea’s dumping accusation case against export of paper products from Indonesia.

The purpose of this research to understand the background of the case of South Korea’s dumping accusation cases against export of paper products from Indonesia, to understand the dispute settlement mechanism of the case in frame of WTO and to understand the result of settlement of the trade dispute. While the benefits or usefulness of this research is theoretically useful research is expected to increase the repertoire of advancing the science of International relations, especially regarding international organizations and international political economy. Furthermore, this research pratically expected to be used as input and comparative material for similar studies and become contributions to the parties concerned.

The method of this research is historical analysis which means a method of solving the problem by collecting data and specific fact about the events of the past, with the data collection technique using library research, which is tracking data sourced from material writing-materials, either from books, documents, internet and media.

The result of this research is WTO has an important roles of the dispute settlement through dispute settlement mechanism shaded by WTO’s Dispute Settlemenet Body in the case of accusation by South Korea to export products of Indonesian paper. Hopefully, by the WTO’s dispute settlement mechanism, trade dispute between the countries can be resolved properly.

**Keyword: *WTO, Dispute Settlement, Dumping,***