

IMPLEMENTATION OF THE SUPERVISORY FUNCTION OF CUSTOMS OFFICE TYPE MADYA PABEAN B SIDOARJO IN ADDRESSING THE DISTRIBUTION OF ILLEGAL CIGARETTES IN SIDOARJO REGENCY

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Abstract

This study aims to analyze the implementation of the supervisory function by the Customs and Excise Supervision and Services Office (KPPBC) Type Madya Pabean B Sidoarjo in addressing the circulation of illegal cigarettes in Sidoarjo Regency. The research employs a qualitative approach with data collection techniques including interviews, observation, and document study. The results indicate that KPPBC TMP B Sidoarjo applies two main approaches: direct supervision (through field inspections, observations, and real-time reports) and indirect supervision (based on written and verbal reports from the public and related agencies). Supporting factors include inter-agency collaboration and community participation, while the main obstacles consist of incomplete reporting and social resistance. The study concludes that the supervision strategy has successfully limited the mobility of illegal actors, although it has not entirely eliminated such activities. Recommendations include enhancing public education, optimizing technology, and adjusting policies to strengthen supervisory effectiveness. These findings contribute to the development of more adaptive and integrated illegal cigarette surveillance strategies.

Keywords: Customs Supervision, Direct Supervision, Indirect Supervision, Illegal Cigarettes, Sidoarjo Regency.

A. INTRODUCTION

Indonesia is the country with the largest population in the ASEAN region. In 2021, more than 270 million people lived in Indonesia, with a total population of 272.248 million. With this figure, Indonesia contributes around 40.9% of the total population in Southeast Asia (Nurhanisah, 2024). With such a large population, it is possible that the number of smokers in Indonesia is also quite massive. According to (Bureau of Communication & Public Services, Ministry of Health of the Republic of Indonesia, 2024), the number of active smokers in Indonesia continues to increase. Based on the 2023 Indonesian Health Survey (SKI) conducted by the Ministry of Health (Kemenkes), it is estimated that there are around 70 million active smokers, of which 7.4% are even from the 10-18 year age group. The following is a presentation of the data (Bureau of Communication & Public Services, Ministry of Health of the Republic of Indonesia, 2024).

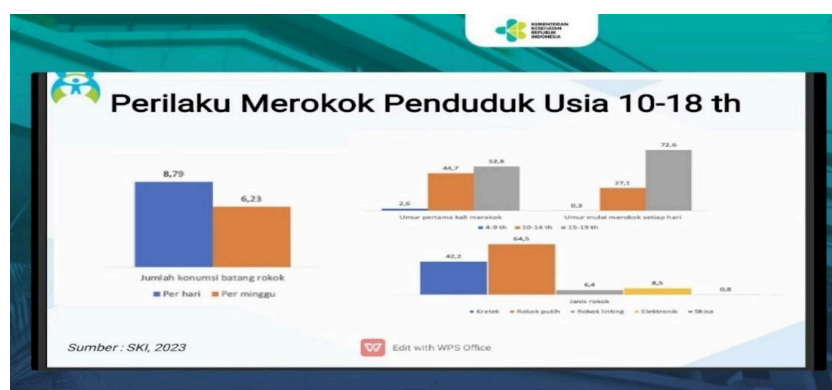


Figure 1. Smoking Behavior Data for Population Aged 10-18

Source:

<https://sehatnegeriku.kemkes.go.id/baca/umum/20240529/1545605/perokok-aktif-di-indonesia-tembus-70-juta-orang-mayoritas-anak-muda/>

This raises the urgency to regulate cigarette consumption through excise policies. According to (Williem & Julitawaty, 2024), cigarette excise not only aims to reduce cigarette consumption, but also makes a significant contribution to state revenue. Cigarette excise can be used as a source of funds for public health programs, such as prevention and treatment of diseases caused by smoking, as well as education about the dangers of smoking. In addition, funds from cigarette excise can also be allocated for infrastructure development and social welfare programs, which ultimately benefit the wider community and support national development. Thus, the cigarette excise policy not only has economic, but also social and health impacts for the Indonesian nation (Ahsan et al., 2020).

Although the cigarette excise policy has great benefits, its effectiveness is still hampered by the rampant circulation of illegal cigarettes or products without excise that are detrimental to the state and legal producers. The SEATCA study (2022) noted the potential loss of Indonesian excise revenue of IDR 108.4 trillion due to the delay in optimal excise policies, as well as the failure to prevent 457,500 premature deaths from cigarettes. The complicated excise system triggers consumers to switch to cheap products, exacerbating consumption. Illegal cigarettes are sold much cheaper, easily accessible to teenagers and vulnerable groups, and often do not meet health standards, thus undermining the objectives of tobacco control (Javier et al., 2022). Based on a report issued by the Indodata Research Center on February 15, 2025, it was stated that the circulation of illegal cigarettes in Indonesia had caused state losses of IDR 97.81 trillion during 2024. The types of illegal cigarettes in circulation were dominated by plain cigarettes or cigarettes without excise stamps (95.44%), followed by counterfeit cigarettes (1.95%), misused cigarettes (saltuk) (1.13%), used cigarettes (0.51%), and mispersonalized cigarettes (salson) (0.37%). Data from 2021 to 2024 showed a significant increase in the consumption of illegal cigarettes, from 28% to 46% in 2024. Danis Saputra Wahidin, Executive Director of the Indodata Research Center, revealed that there was a shift in trends among smokers, from consuming legal cigarettes to illegal cigarettes. This shift was triggered by the increase in the price of legal cigarettes due to ineffective excise policies, encouraging consumers to choose cheaper illegal cigarettes. In addition, the increase in the circulation of illegal cigarettes is also caused by changes in cigarette consumption patterns, where smokers switch from class I, II, and III cigarettes to illegal cigarettes that are more affordable and in accordance with market preferences (Buchori, 2025). So it can be

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understood again from the problems above that one of the reasons why the circulation of illegal cigarettes is still rampant and tends to experience an increasing trend every year is due to various influential factors, such as economic factors, social factors, and environmental factors.

In addition to the impact of state losses from the tobacco excise sector, health reasons are also the basis for why cigarette circulation needs to be tightened (Wany et al., 2024). Indonesia has had a number of legal policies that regulate cigarette circulation, including the following: (1) Law Number 39 of 2007 concerning Amendments to Law Number 11 of 1995 concerning Excise; (2) Regulation of the Director General of Customs and Excise Number PER-19/BC/2024 concerning Amendments to the Regulation of the Director General of Customs and Excise Number PER-16/BC/2022 concerning Procedures for Determining Excise Tariffs on Tobacco Products in the Form of Cigarettes, Cigars, Leaf Cigarettes or Klobot, and Sliced Tobacco; (3) Regulation of the Minister of Finance of the Republic of Indonesia Number 143 of 2023 concerning Procedures for Collecting, Deducting, and Depositing Cigarette Tax; (4) Regulation of the Minister of Finance of the Republic of Indonesia Number 97 of 2024 concerning the Third Amendment to Regulation of the Minister of Finance Number 192/PMK.010/2021 concerning Excise Tariffs on Tobacco Products in the Form of Cigarettes, Cigars, Leaf Cigarettes or Klobot, and Sliced Tobacco. All regulations concerning excise, especially cigarettes, indicate that every tobacco product circulating in Indonesia must have an excise stamp as proof that excise has been collected and meets the established distribution standards. In addition, it is also contained in Law Number 17 of 2006 concerning Amendments to Law Number 10 of 1995 concerning Customs which regulates how Customs becomes the authorized party in supervising the entry and exit of goods, both legal and illegal. Where in Article 3 it states "The Directorate General of Customs and Excise (DJBC) is authorized to supervise the entry and exit of goods, including taking action against illegal goods such as smuggling. However, even though this regulation already exists, its implementation in the field still faces various challenges. Weak supervision at the border, lack of coordination between agencies, and low firm action against perpetrators of illegal cigarette trade are the main factors that hinder the effectiveness of this policy. In addition, the lack of public awareness in supporting and working together to obey, implement, and pay attention to existing regulations and rules is also another factor why the circulation of illegal cigarettes is still rampant as if there is no control or supervision from the relevant authorized institutions (Ardianto, 2023).

Sidoarjo Regency, as one of the areas with dense economic activity in East Java, is not free from the problem of the circulation of illegal cigarettes. With a fairly high percentage of active smokers, of course, it attracts some people to buy illegal cigarettes massively. This can be seen from the percentage of active smokers in Sidoarjo Regency below.

Table 1. Data on Population Who Smoked in the Last Month in Sidoarjo in 2023

<i>Age Group</i>	<i>Population Percentage</i>
15-24 year	13,74
25-34 year	28,61
35-44 year	31,03
45-54 year	27,12
55-64 year	24,60

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65 years and above	15,76
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Source: BPS East Java Province, 2023 (Data processed by the author, 2025)

Not only that, its strategic location, close to the port and industrial area, makes Sidoarjo vulnerable to becoming a distribution point for illegal cigarettes. The Sidoarjo Type B Customs and Excise Supervision and Service Office (KPPBC), as the agency responsible for supervising the circulation of illegal cigarettes, has a crucial role in taking action against these illegal practices. Based on temporary data from the Sidoarjo KPPBC in 2024. Sidoarjo Regency is ranked third in terms of the number of illegal cigarettes confiscated, with a total of 288,368 illegal cigarettes successfully secured. However, the frequency of information collection in Sidoarjo reached 66 times, which is the highest number compared to other areas such as Surabaya City (24 times) and Mojokerto Regency (17 times). This shows that the Sidoarjo KPPBC is actively collecting data through reports, complaints, and field observations before taking action.

Table 2. Data on the Realization of Eradication of Illegal Cigarettes in 2024

<i>Region</i>	<i>Information Collection (Frequency)</i>	<i>Action (Frequency)</i>	<i>Number of Illegal Cigarettes (Sticks)</i>
City of Surabaya	24	25	1.002.800
Mojokerto Regency	17	31	419.540
Sidoarjo Regency	66	21	288.368
City of Mojokerto	1	12	-

Source: KPPBC TMP B Sidoarjo, 2025

Various previous studies have also strengthened the urgency of monitoring the circulation of illegal cigarettes. Research by (Gani et al., 2024; Farando & Gultom, 2024) revealed that the supervisory function of the Customs and Excise agency is the spearhead in suppressing the distribution of cigarettes without excise stamps in Gorontalo and Dumai. Meanwhile, (Fi'aunillah & Muchtar, 2021) highlighted the effectiveness of market operations and law enforcement as important factors in controlling the circulation of illegal cigarettes. (Haryono et al., 2024) also emphasized that the effectiveness of Customs and Excise supervision has a significant impact on reducing illegal cigarettes, although it has not specifically examined the role of the Regional Government. On the other hand, global studies such as by (Paraje et al., 2022; Meciar et al., 2024) broaden the understanding of international trends and the economic and health impacts of the illegal cigarette trade, but have not described the local context of Indonesia in depth. Therefore, it is important to conduct a study in Sidoarjo Regency to understand the role of the local government in monitoring the circulation of illegal cigarettes more contextually and specifically.

Although the Sidoarjo Type B Customs Office has made various supervision and enforcement efforts as evidenced by the data above, they still face significant challenges, such as the high demand for cheaper illegal cigarettes and the increasingly sophisticated modus operandi of perpetrators who are often difficult to track. Findings in the field show that the circulation of illegal cigarettes in Sidoarjo Regency is still rampant, especially through motorbike cigarette traders and a number of grocery stores. Based on this

background, the researcher is interested in raising the title "Implementation of the Supervisory Function of the Sidoarjo Type B Customs Office in Handling the Circulation of Illegal Cigarettes in Sidoarjo Regency". This study aims to prove, study, and analyze the role of the Sidoarjo Type B Customs Office in supervising and taking action against the circulation of illegal cigarettes in the region. In addition, this study will evaluate the technical results of supervision based on applicable supervision theories and policies, and provide constructive recommendations to improve the effectiveness of supervision. By understanding the challenges and dynamics in the field, it is hoped that this study can provide a real contribution to strengthening supervision of the circulation of illegal cigarettes, not only at the local level, but also nationally and regionally. Ultimately, the supervision carried out by KPPBC TMP B Sidoarjo is expected to not only be a repressive effort, but rather an integral part of the national strategy to protect the country's economic interests and public health as a whole.

B. LITERATURE REVIEW

Public Policy

Public policy is generally understood as one of the steps or actions taken by the government to carry out its duties, either in the form of regulations or decisions. These decisions are binding on the wider community and are made by public authorities to achieve certain goals.

According to (Kriswibowo et al., 2021), public policy is a step or action taken by the government to resolve problems in society or for the public interest. Meanwhile, according to (Harahap et al., 2021), public policy is a set of legal rules that serve as guidelines for the government in taking steps to regulate and provide services to the community in various aspects of life.

Public policy reflects government actions that have certain goals. The success of a policy depends not only on its formulation, but also on supervision in its implementation. Supervision functions to ensure that policies are implemented according to the rules and achieve the expected goals. Without effective supervision, policies are at risk of deviation and ineffectiveness. Therefore, supervision in public policy is an important control and evaluation mechanism to increase accountability, efficiency, and transparency in the policy process.

Policy Implementation

Implementation is the execution of a plan that has been carefully prepared to achieve a certain goal. According to KBBI, implementation means implementation or application. In general, policy implementation is a way to achieve policy goals by implementing planned activities and referring to certain norms.

Policy implementation is basically a way for a policy to achieve its goals well. To implement public policy, there are two ways, namely implementing it in the form of programs and through the formulation of derivative policies or derivatives of the public policy (Nugroho, 2003).

Policy implementation is a dynamic process that involves interaction between decision makers and implementers to achieve agreed goals. Supervision is an integral part of implementation, functioning to ensure that policies run according to the stated goals. Supervision not only functions as a control tool, but also as a means to evaluate the effectiveness and efficiency of policies.

Supervision

Supervision is one of the integral functions in the management of a modern organization. This function is important to support the management responsible for an activity or activity, in order to achieve organizational goals in a way that is most in accordance with the interests

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of the organization (Rachmad et al., 2024). Supervision is a form of work that aims to control so that every program that has been prepared for inmates can be implemented properly. If the planned programs do not run as expected, then improvements need to be made in accordance with applicable regulations. This control aims to regulate the improvement of the performance of each member of the Correctional Institution, so that the desired development goals can be achieved (Kasmanto Rinaldi, 2021). Supervision is a series of processes that include monitoring, evaluation, and performance improvement to ensure that work is carried out in accordance with established standards (Robbins et al., 2019).

According to (Riyadi, 2021), supervision is a process or activity that has a specific purpose. The main purpose of supervision is to ensure that performance in the organization runs effectively and in accordance with the established plan. Supervision is not intended to find fault or show distrust of superiors towards subordinates. On the other hand, supervision functions as a managerial tool that aims to prevent deviations or errors, both intentional and unintentional. Good supervision not only ensures compliance with standards, but also improves the quality of work continuously. In the modern era, supervision is supported by technology that allows real-time performance analysis, so that decision-making can be done faster and based on evidence. Supervision has a crucial role in evaluating organizational progress and identifying emerging obstacles. According to the Regulation of the Director General of Customs and Excise Number P-53 / BC / 2010, supervision is the entire supervisory activity in the field of customs and excise which includes intelligence activities, enforcement, case handling, intelligence and enforcement of Narcotics, Psychotropics and Narcotics Precursors, and management of operational facilities. According to Masyhuri Imron in (Sururama & Amalia, 2020), supervision techniques are divided into two main types, namely direct supervision and indirect supervision. This division is based on the need to develop a more flexible and adaptive approach to supervision, considering the characteristics and challenges faced in the field. The following are the supervision techniques proposed by Imron Masyhuri.:

1. Direct Control is a technique that involves direct involvement of leaders or organizations in monitoring the object of supervision without intermediaries.
 - a) Direct Inspection, which includes physical inspection of goods or activities at strategic locations such as warehouses, ports, or markets. This direct surveillance method not only provides accurate data, but also creates a significant psychological effect, where traders or distributors tend to avoid violations when routine inspections are carried out.
 - b) On the Spot Observation, which is observation carried out secretly without prior notice. This method is very effective in detecting hidden smuggling patterns. The use of modern technology, such as bodycams or drones, also allows for the collection of more accurate visual evidence. Although this method requires human resources with special intelligence expertise, research shows that this technique can detect up to 40% more violations compared to conventional methods.
 - c) On the Spot Report, which is an instant report request at the surveillance location. This method allows direct data verification with physical evidence, such as photos or samples of goods. However, there is a risk that perpetrators can falsify documents when asked for a sudden report, so a strong validation system is needed to ensure the accuracy of the information.
2. Indirect Control is a technique that relies on a structured reporting system to save resources. In the context of supervision, this approach plays an important role in monitoring activities remotely through written and oral reports.

- a) Written reports. This technique involves document analysis, such as monthly reports from distributors or recapitulations of logistics transactions. Although this method is more cost-efficient, indirect supervision is susceptible to data manipulation, so cross-validation with related agencies is needed to ensure the accuracy of the information.
- b) Oral reports. This technique is also an important component of indirect supervision. Although oral reports have the potential for subjectivity, the application of a reward-punishment system for reporters can increase the accuracy of the information received.

C. RESEARCH METHODOLOGY

This study uses a qualitative descriptive approach that aims to understand and describe social phenomena in depth, especially related to the supervision of the circulation of illegal cigarettes by the Customs and Excise Supervision and Service Office (KPPBC) Type Madya Pabean B Sidoarjo. This method was chosen because it is appropriate for exploring the process, strategy, and challenges in implementing supervision in the field. Then the location and time of the study focused on the KPPBC TMP B Sidoarjo area and several illegal cigarette distribution points in Sidoarjo Regency. This study was conducted for five months, starting from February to June 2025. The scheduling of activities includes literature studies, field surveys, data collection, analysis, and drawing conclusions. The focus of the research is directed at examining how direct and indirect supervision is carried out based on the theory of supervision (Masyhuri Imron, 2012), in order to assess the effectiveness of supervision and action against the circulation of illegal cigarettes. The types of data used consist of primary and secondary data. Primary data is obtained through direct interviews with Customs, traders, and consumers of illegal cigarettes. While secondary data is collected from official documents, journals, news, and related publications. The technique for determining informants used the purposive sampling method by considering the relevance and knowledge of the informants to the research topic. The main informants in this study were officials at KPPBC TMP B Sidoarjo as well as perpetrators and consumers of illegal cigarettes.

Then for data collection was carried out through semi-structured interviews, field observations, and documentation. These three techniques are used to obtain valid and in-depth data, and support the principle of triangulation in qualitative research. For data analysis, the model follows (Milles Huberman & Saldaña, 2014), namely through the stages of data condensation (filtering and simplifying information), data presentation (compiling narratives or visual forms), and drawing and verifying conclusions (understanding patterns and meanings of data as a whole). The validity of the data is guaranteed through three proprietary techniques (Moleong, 2008) including: observation persistence, triangulation (sources, theories, and methods), and extension of researcher participation in the field. This is done to ensure that the data obtained is truly valid and can be scientifically accounted for.

D. RESULT AND DISCUSSION

The circulation of illegal cigarettes in Indonesia is still a serious problem that has an impact on state finances and public health. Sidoarjo Regency, as an area with high economic activity, is also affected by this problem. Data from KPPBC TMP B Sidoarjo shows that consumption of illegal cigarettes continues to increase, reflected in the high frequency of information collection and action in the field. Supervision of illegal cigarettes is important, not only because of the potential for state losses, but also because of the increasing access of teenagers to cheap and unhealthy cigarettes. Therefore, Sidoarjo Customs plays an important role in ensuring that cigarette circulation complies with regulations. This study focuses on the

implementation of supervision of illegal cigarettes by Sidoarjo Customs in 2025. In addition to describing how supervision is carried out, the study also explores the reasons behind changes in strategy that are usually triggered by challenges in the field. This section will discuss the supervision mechanism, strategies used, the level of success of supervision, and factors that influence the results, based on field data and interview results. The results of the study on supervision of the circulation of illegal cigarettes in Sidoarjo show that KPPBC TMP B Sidoarjo applies two main approaches, namely direct and indirect supervision.

Direct supervision is carried out through field inspections, observations, and real-time reports, while indirect supervision relies on written and verbal reports from the community and related agencies. In its implementation, KPPBC TMP B Sidoarjo routinely conducts market operations, both on a large and small scale. Large-scale operations involve mapping vulnerable points by intelligence units and coordination with DJBC East Java I, while small-scale operations are more educational and are carried out together with Satpol PP and local authorities. The effects of this supervision are quite significant, creating a psychological impact in the form of fear among traders, which can be seen from their habit of closing their stalls early to avoid raids. However, economic pressures continue to encourage some traders to continue selling despite being aware of the risks.

In addition to direct supervision, KPPBC TMP B Sidoarjo also utilizes technology through the SIROLEG application to monitor the circulation of illegal cigarettes. Reports from the public, although often lacking in detail, also help in identifying vulnerable locations. The main obstacles in this supervision are incomplete information from the reporter and resistance from the public who consider that the action only targets small perpetrators. On the other hand, supporting factors such as collaboration with the police, Satpol PP, and funding from DBHCHT (Tobacco Excise Revenue Sharing Fund) strengthen the effectiveness of supervision. However, the dynamics of violations that continue to develop require periodic policy adjustments. Overall, the supervision strategy implemented by KPPBC TMP B Sidoarjo has succeeded in limiting the movement of illegal cigarette traders, although it has not completely stopped this activity. To increase effectiveness, more intensive socialization is needed to the public regarding the importance of providing complete reports and education about the economic and legal impacts of the circulation of illegal cigarettes. In addition, optimizing the use of technology such as SIROLEG and synergy between agencies remain key to suppressing the circulation of illegal cigarettes in the Sidoarjo area and its surroundings.

Results of Direct Control Study

Direct supervision is the main strategy used by KPPBC Type Madya Pabean B Sidoarjo in tackling the circulation of illegal cigarettes, especially in the Sidoarjo Regency area. Unlike the indirect approach which is based on data and intelligence, direct supervision emphasizes the physical involvement of officers in the field through observation activities, inspections, and direct enforcement operations.

Direct Inspection

Direct inspection is one of the main strategies in monitoring the circulation of illegal cigarettes carried out by KPPBC TMP B Sidoarjo. This approach is in line with the theory of physical supervision which emphasizes the importance of direct presence in strategic locations, such as markets, warehouses, and distribution points. In addition to producing accurate data, physical presence also creates a deterrent effect for perpetrators of violations because it increases the risk of being caught. Inspection activities are carried out on two scales, namely large and small. On a large scale, the implementation begins with mapping the area by the customs intelligence unit which relies on information from informant networks in the Sidoarjo, Mojokerto, and Surabaya areas. The data collected is used to design the time

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and location of inspections by the enforcement unit. This activity is independent without involving other agencies, and includes coordination with the East Java I DJBC Regional Office to ensure that the reach of illegal distribution can be monitored comprehensively. Meanwhile, small-scale inspections are carried out collaboratively with Satpol PP, the police, and related agencies. This joint operation is carried out routinely twice a month and is educational in nature. In addition to taking action in the field, the public is also given counseling regarding the dangers of illegal cigarettes and their legal consequences. All of these activities are supported by funding from the Tobacco Excise Revenue Sharing Fund (DBHCHT) which is allocated to support supervision, education, and law enforcement. Supporting evidence for these activities can be seen through the channel (Sidoarjo Regency Communication and Informatics Service, 2021) and other media as follows.



Figure 2. Socialization Activities by KPPBC TMP B Sidoarjo in Pangkemi Village
Source: (Diskominfo Kab. Sidoarjo, 2021)



Figure 3. Socialization by KPPBC TMP B Sidoarjo together with Satpol PP Sidoarjo in Krian District
Source:

<https://sidoarjoterkini.com/satpol-pp-sidoarjo-dan-bea-cukai-gelar-sosialisasi-terkait-peredaran-rokok-ilegal-kpada-warga-krian/>



Figure 4. Implementation of Illegal Cigarette Market Operations by KPPBC TMP B Sidoarjo Together with Satpol PP and Police
Source: https://www.instagram.com/p/DJtS396xU86/?img_index=2

Through the implementation of this direct inspection scheme, during April 2025, Sidoarjo Customs successfully carried out 16 actions, confiscating more than 1.48 million illegal cigarettes worth more than IDR 2.2 billion, with a potential state loss of IDR 1.1 billion. This action was legally proven through the Proof of Action Letter (SBP) document. The destruction of evidence is carried out periodically, as a form of protecting public health, maintaining state revenues, and preventing unfair competition with the legal industry. It was recorded that 13,693,164 illegal cigarettes had been destroyed in January-April 2025. The psychological effect of this inspection was quite strong, as seen from the behavior of traders who closed their stalls earlier to avoid surprise inspections. The fear of confiscation and losses encouraged them to be more careful. Even so, economic pressure is still a factor that

makes some perpetrators continue to operate. This shows that although it has not been able to completely eliminate illegal practices, direct inspections have proven to be able to suppress activities, change behavior, and strengthen synergy between agencies in supervision.

On the Spot Observation

On the Spot Observation technique or direct observation in the field is one of the important strategies used by the Sidoarjo Type B Customs and Excise Supervision and Service Office (KPPBC) in detecting and supervising illegal cigarette distribution activities in Sidoarjo Regency. Based on the interview results, this method is carried out systematically as an initial step before issuing a letter of assignment or official instructions for carrying out operations in the field. The implementation of observations begins with the involvement of internal informants who have high integrity and are confidential. These informants are tasked with conducting initial mapping of locations, individual targets, and suspected commodities before the operational team carries out direct intervention. Information collected by informants is an important basis for compiling a monitoring strategy, and is considered to have high accuracy because it comes from direct observations in the field that have been validated internally. In addition to coming from intelligence activities through informant networks, observations in the field are also based on the results of developments from previous operations, such as market operations or surprise inspections. This secondary data is developed through further analysis of key witnesses and parties suspected of being involved in the distribution of illegal cigarettes. This approach allows KPPBC TMP B Sidoarjo to build a comprehensive understanding of illegal distribution patterns and identify the underlying root causes.

The On the Spot Observation method is positioned as part of a preventive and repressive approach. As a preventive measure, observation aims to reduce the room for perpetrators to move and detect potential risks early. Meanwhile, repressively, the results of the observation become evaluation material for the effectiveness of previous enforcement steps and as a basis for formulating more adaptive strategies in the future. This is important considering that the circulation of illegal cigarettes continues to develop with increasingly hidden and complex modes, thus requiring officers to always be adaptive and responsive. Overall, the implementation of On the Spot Observation by KPPBC TMP B Sidoarjo reflects a combination of strategic, analytical, and collaborative approaches, which aim to strengthen the supervision system and create more professional and accountable enforcement governance in an effort to suppress the circulation of illegal cigarettes in the Sidoarjo Regency area.

On the Spot Report

Based on the results of the interviews that have been conducted, the direct supervision method through the On the Spot Report technique by the Customs and Excise Supervision and Service Office (KPPBC) Type Madya Pabean B Sidoarjo is considered to have been implemented quite effectively. The implementation of this technique is demonstrated through two main approaches: independent reporting of direct observation results in the field by officers, and active community involvement in conveying information through the channels that have been provided. The information gathering (PI) activities carried out are one concrete form of direct supervision. The information collected comes from direct observation by officers and contributions from informants who have been trusted and have high credibility. In its implementation, KPPBC TMP B Sidoarjo prioritizes the principles of neutrality and professionalism. Therefore, the reports received will be reviewed thoroughly, including data verification and fact-checking, so as not to cause counterproductive legal consequences. One important aspect of the On the Spot Report is community participation.

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KPPBC TMP B Sidoarjo opens up space for the community to submit reports regarding alleged illegal cigarette circulation activities in their environment. This report can be submitted through various information media that have been provided, both online and offline. This participation reflects the collaborative principle in supervision, where strengthening the supervision system is not only carried out by law enforcement officers, but also assisted by the legal awareness of civil society. In practice, not all reports from the public are immediately used as the basis for legal action. Every report that comes in is first verified through further communication between officers and reporters, to ensure the accuracy and completeness of the data. This is done to maintain the integrity of the institution, prevent misuse of false reports, and ensure that every step of action remains objective and measurable. However, KPPBC TMP B Sidoarjo remains committed to following up on every piece of information, no matter how small, as a form of accountability and an effort to build public trust. With the support of technology and an easily accessible reporting system, On the Spot Report has proven to be an effective strategy in strengthening supervision performance. This mechanism is also in line with the spirit of adaptation to the development of the times that demands speed and accuracy of information in detecting and prosecuting the circulation of illegal cigarettes in Sidoarjo Regency.

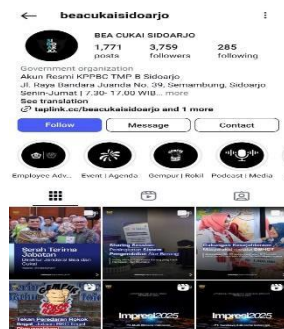


Figure 5. Official Instagram Site
Source: Instagram KPPBC TMBP B Sidoarjo



Figure 6. Information and Complaints Facilities
Source: Instagram KPPBC TMBP B Sidoarjo

Results of Indirect Control Study

Indirect supervision is a way for Customs to monitor the circulation of illegal cigarettes without having to be present directly at the location. Information is collected from intelligence teams and public reports. Before acting, this information is checked again so that it is not misdirected. This method shows that Customs works carefully and thoroughly, and relies on accurate data. Cooperation between officers, informants, and the public is very important for supervision to run effectively. With this strategy, Customs can be more precise in acting and stronger in enforcing regulations.

Written Reports

Written reports are an important element in the indirect supervision strategy implemented by the Sidoarjo Type B Customs Office in suppressing the circulation of illegal cigarettes. Its main function is as a formal documentation and communication tool for the results of supervision, trend analysis, and follow-up recommendations. This approach supports the principles of transparency and accountability in every customs action. The results of an interview with NR, staff in the Information and Counseling Section, revealed that Customs utilizes market trend analysis reports and reports from intelligence networks as the main reference in detecting potential violations. This data is systematically compiled and reviewed to identify patterns of illegal cigarette circulation that are developing dynamically in the

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community. In order to expand the scope of supervision, Customs also encourages public participation by opening reporting channels through social media and WhatsApp.

This channel allows the public to convey information quickly, while strengthening the position of Customs as an institution that is open to collaboration with the public. Furthermore, the use of technology in the form of the Siroleg application is an inseparable part in supporting this supervision system. This application is used to map vulnerable points for the circulation of illegal cigarettes and integrate reports from the community, intelligence, and supporting agencies such as Satpol PP. Processing information through the application speeds up the analysis process and follow-up of these parties.



Figure 7. Public Complaints Facilities
Source: Instagram KPPBC TMBP B Sidoarjo

The written report mechanism is designed in a structured and systematic manner. All incoming reports are first reviewed by the Information Services Section for verification before being forwarded to the Enforcement Section. This process ensures that each report is handled based on the level of urgency and validity of the data. In addition, this process also ensures that each report is followed up seriously, and the enforcement team has a strong basis for conducting checks and direct action in the field. After field actions are carried out, the results are conveyed back to the reporter and the public as a form of public accountability. Thus, the written report system implemented by Sidoarjo Customs is not only administrative, but also strategic. A data-based approach, supported by technology and public participation, has proven to be able to increase the effectiveness of supervision and strengthen the legitimacy of the institution in eradicating the circulation of illegal cigarettes.

Written Reports

Oral reports are one of the important elements in the indirect supervision strategy implemented by KPPBC Type Madya Pabean B Sidoarjo in monitoring the circulation of illegal cigarettes. This mechanism allows the public to convey information quickly through various communication channels such as WhatsApp, Instagram, telephone, or direct visits to the office.



Figure 8. Complaint Services Provided by KPPBC TMP B Sidoarjo
Source: Instagram KPPBC TMBP Sidoarjo

This openness demonstrates Customs' commitment to building a participatory and responsive approach to supervision. Based on the interview results, it is known that information submitted by the public does not have to be large-scale to be processed further. Even reports of small activities often become the entry point for intelligence analysis and subsequent action. This confirms that oral reports are positioned not merely as a form of complaint, but as initial data that has the potential to be developed into strategic information.

However, the effectiveness of oral reports faces a number of challenges. One of them is the lack of complete information from the public, such as the absence of the perpetrator's identity or the vehicle number involved. Another factor is the reporter's concern regarding security risks, which can hinder openness in providing more detailed information. This condition indicates the need to increase reporting literacy and guarantee protection for reporting communities. Internally, oral reports also have a strategic function in the coordination process between field officers and leaders. This communication is generally carried out before the preparation of official documents such as the Proof of Action Letter (SBP), thus ensuring clarity of the field situation and uniformity of understanding between related parties. Oral reports are also an initial means of making tactical decisions and preparing action strategies.

In addition to the repressive function, Customs also uses oral reports and information in an educational approach. Activities such as the destruction of illegal cigarettes accompanied by media coverage are a form of public campaign that educates the public about the negative impacts of illegal cigarettes and the importance of community involvement in their supervision. In general, oral reports have an important role in supporting indirect supervision at KPPBC TMP B Sidoarjo. Information from the public, fast officer coordination, and the use of data for education show that oral reports are an important part of a supervision strategy that involves many parties. In the future, it is important to improve the quality of reports and provide a sense of security to reporters so that this system continues to run effectively.

**Bea Cukai Sidoarjo Musnahkan 19 Juta
Batang Rokok Ilegal, Rugikan Negara Rp 13
Miliar**

 **Diky Putra Sansari** · Rabu, 12 Februari 2025 | 11:54 WIB



Figure 9. Media Participation in Covering Illegal Cigarette Action by KPPBC
TMP B Sidoarjo

Source: radarsidoarjo.id, 2025

Supporting Factors and Inhibiting Factors in Supervising the Distribution of Illegal Cigarettes in Sidoarjo

Supporting Factors Study

Supervision of the circulation of illegal cigarettes in the work area of KPPBC TMP B Sidoarjo cannot be separated from a number of supporting factors that significantly contribute to the effectiveness of its implementation. Based on the results of interviews with internal Customs and Excise officials, it was identified that synergy between agencies is a key component in supporting the success of surveillance operations, especially on a large scale. The collaboration between Customs and Excise with the Police, Satpol PP, intelligence teams, and local governments plays an important role in ensuring a quick response and solid coordination to potential violations in the field. Satpol PP has a strategic contribution, not only in assisting the implementation of raids, but also in socialization activities aimed at increasing public awareness of the dangers of illegal cigarettes. This educational role supports a preventive approach in the surveillance strategy. On the other hand, the presence of the intelligence team provides an accurate and up-to-date information base, which is very important in mapping vulnerable points and preparing a more precise and low-risk surveillance strategy.



Figure 10. Joint Operation of Customs and Excise with Satpol PP

Source: radarsidoarjo.id, 2025

Another supporting factor is the involvement of the community as informal reporters. The high level of public participation in providing information on the circulation of illegal cigarettes reflects trust in supervisory institutions and concern for the interests of the state, especially in maintaining state revenues from the excise sector. The community functions as an extension of the eyes and ears of the apparatus in monitoring the circulation of illegal goods in the surrounding environment. So, supervision of illegal cigarettes is not only the responsibility of Customs and Excise, but is the result of cooperation from various parties. Collaboration between law enforcement officers, intelligence teams, and the community shows that joint supervision like this can run more effectively and continue.

Study of Inhibiting Factors

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The implementation of supervision of the circulation of illegal cigarettes by KPPBC TMP B Sidoarjo faces a number of challenges that affect the effectiveness of performance in the field. One of the main obstacles is the lack of complete and accurate information from public reports. Many reports are general in nature, such as only listing the location without time, identity of the perpetrator, or other supporting evidence. In some cases, people who actually have more in-depth information are reluctant to provide detailed data due to concerns about personal security risks. This condition complicates the verification process and hinders follow-up by officers. These obstacles indicate that community participation has not been fully effective, especially due to the lack of courage, trust, and understanding of the importance of responsible reporting. Therefore, an educational approach is still very much needed to improve the quality of community reports. In addition to the reporting aspect, social response is also an inhibiting factor. Actions against small-scale perpetrators often create negative perceptions in the community, who consider that law enforcement does not touch large perpetrators. This perception has the potential to reduce public trust in supervisory institutions, even though the efforts made are aimed at creating justice and supporting welfare through the utilization of Tobacco Excise Revenue Sharing Funds (DBH CHT). Furthermore, challenges also arise from the mindset of the community who tend to look for loopholes in existing regulations. When a policy is considered disadvantageous, some people choose to outsmart the rules rather than adapt. This phenomenon shows a low culture of legal compliance and demands public policies that are adaptive to the dynamics of violations in the field.



Figure 11. Form of Community Welfare Support Through DBH CHT
Source: Instagram KPPBC TMP B Sidoarjo

E. CONCLUSION

Supervision of illegal cigarette circulation in Sidoarjo Regency by Sidoarjo Type B Customs has been implemented quite well, through two main techniques, namely direct and indirect supervision. Direct supervision is carried out through sub-techniques such as direct inspections (market operations and surprise inspections), on the spot observation (with the assistance of intelligence units and previous case development), and on the spot reports (involving the community and coordinating with Satpol PP). Indirect supervision is carried out through written reports such as evidence of action letters and warrants, as well as oral reports from the community, which are then analyzed and validated for follow-up. In its implementation, there are supporting factors such as community support to fight all forms of illegal cigarette circulation activities and synergy between agencies. Obstacles in the form of

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low awareness of some people and inadequate quality reports, making it difficult for the Customs and Excise to carry out further investigation and action. Therefore, it is necessary to increase and optimize socialization to the community about the dangers and impacts of illegal cigarettes in Sidoarjo Regency. In addition, there needs to be a preparation of regulations as a basis for action against illegal cigarette dealers in order to have a deterrent effect.

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