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Threat Analysis of the Rejection of the Policy on the Excise Extensification of Sugar-Sweetened Beverages in Packaging

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Abstract
The excise policy on sugar-sweetened beverages (SSB), which has been regulated in Law No. 7 of 2021 concerning the Harmonization of Tax Regulations, faces significant implementation challenges, especially from the resistance of industry players. The purpose of this study is to analyze the potential threat of rejection of the excise policy on sugar-sweetened beverages (SSB) and formulate an intelligence strategy in dealing with these threats. The research was conducted using qualitative research methods with data collection techniques from in-depth interviews with relevant stakeholders, observations, and library research. The results of the study show that there is a serious threat of policy rejection, which is characterized by a systematic pattern of resistance from industry players through the construction of negative narratives, the utilization of financial capacity for policy interventions, and the momentum of post-pandemic economic vulnerability. Multinational companies with strong financial capabilities and extensive networks have the potential to intervene in the policy process through various strategic approaches. The research recommends the preparation of an integrated intelligence strategy through three dimensions: accelerating the issuance of Government Regulations, building an inclusive multistakeholder dialogue platform, and designing an accommodative transition mechanism. This strategy is formulated to prevent strategic surprises through scenario planning that formulates anticipatory and preventive measures for the implementation of the excise policy on sugar-sweetened beverages (SSB).

1. Introduction

The excise extensification policy in Indonesia has become one of the key fiscal instruments in the government's efforts to increase state revenue while also controlling the consumption of certain goods deemed to have negative impacts on society. Excise Law Number 39 of 2007 defines excise as a type of state levy imposed on specific goods with particular characteristics. These goods fall into categories where their consumption needs to be limited, their distribution requires strict supervision, their use potentially causes adverse effects on society or the environment, and their consumption necessitates a state levy to ensure fairness and balance within society. This levy aims to create prices that reflect the true social cost of consuming such goods, thereby requiring consumers to bear not only the private costs but also the social costs incurred (Cnossen, 2005). In this way, excise functions as a market-correcting mechanism that helps balance individual interests with the broader public interest. Moreover, the revenue generated from excise can be allocated to programs designed to mitigate the negative impacts of these goods or to improve overall public welfare, thereby promoting a more equitable redistribution of resources (World Health Organization, 2010; Chaloupka et al., 2012).

In Indonesia, there are five types of Excise Taxable Goods (Barang Kena Cukai/BKC), consisting of three existing categories and two newly added ones (Ministry of Finance, 2022). The existing excisable goods include tobacco products, ethyl alcohol, and beverages containing ethyl alcohol. Meanwhile, the two newly designated excisable goods—plastic and Sugar-Sweetened Beverages (SSBs) in packaging—were established through Minister of Finance Regulation Number 30/PMK.04/2022 (Directorate General of Customs and Excise, 2022). This reflects Indonesia's highly selective approach in determining which goods are subject to excise, in contrast to other countries that maintain broader excise lists. For instance, the Netherlands has 6 excisable goods, the Philippines 8, Finland 19, India 30, the United Kingdom 5, Germany 13, Japan 25, France 15, Singapore 11, and Thailand 22 (Ministry of Finance, 2022).

One of the major public health concerns globally is the high consumption of sugar-sweetened beverages (SSBs). In Indonesia, the consumption of packaged SSBs has seen a significant increase in recent years. The 2023 Indonesia Health Survey (Survei Kesehatan Indonesia/SKI), which integrates the Basic Health Research (Riskesdas) and the Indonesian Toddler Nutritional Status Survey (SSGI), reveals a concerning trend in the consumption patterns of sweetened beverages among the Indonesian population. According to the SKI 2023 report collaborative effort between the Health Development Policy Agency (BKPK) of the Ministry of Health and the Central Statistics Agency (BPS) there is a high prevalence of sweet beverage consumption. Data from Riskesdas 2023 show that 47.5% of the population consumes sweetened beverages at least once per day (Ministry of Health, 2023). This marks a sharp increase from previous years, with 31.01% reported in Riskesdas 2018 and 26.3% in Riskesdas 2013 (Ministry of Health, 2018, 2013). This upward trend highlights the growing public health risk associated with excessive sugar intake through beverages.

The high consumption of sugar-sweetened beverages (SSBs) in Indonesia, alongside the rapid development of the SSB industry, reflects a significant growth trend in recent years. On the production side, data from the Indonesian Soft Drink Industry Association (ASRIM) show that the production volume of SSBs in Indonesia reached 30.52 billion liters in 2021, marking a 7.8% increase from the previous year, which stood at 28.31 billion liters (ASRIM, 2022). ASRIM projects that SSB production will continue to grow at an average rate of 5–6% per year through 2025. This increase is largely driven by post-pandemic economic recovery and shifts in consumer behavior. The Indonesian Food and Beverage Entrepreneurs Association (GAPMMI) also recorded an average annual growth of 7–8% in the soft drink industry during the 2014–2019 period (GAPMMI, 2020). However, the excessive consumption of SSBs has become one of the main contributors to the rising prevalence of non-communicable diseases, particularly diabetes. The International Diabetes Federation (2021) reported that Indonesia ranked fifth globally for the highest number of people living with diabetes, with 19.5 million cases in 2021 an alarming increase from 10.7 million in 2019 (IDF, 2019).

A study conducted by the Institute for Economic and Social Research at the Faculty of Economics and Business, University of Indonesia (LPEM FEB UI, 2023), estimated that the sugar-sweetened beverage (SSB) market in Indonesia would reach a value of IDR 253 trillion by 2025, growing at a Compound Annual Growth Rate (CAGR) of 8.7% from 2021 to 2025. Although the growth of the SSB industry contributes positively to the national economy, the increasing consumption of SSBs also raises concerns about their health impacts. The volume of consumption is projected to continue rising in line with the industry's expansion and shifting consumer lifestyles. The extensification of excisable goods aligns with the core objective of excise taxes to control the consumption of certain products considered harmful to society and the environment (Cnossen, 2010). The inclusion of SSBs as excisable goods is viewed as a strategic move that could yield significant impacts, both in terms of consumption control and state revenue (Chaloupka et al., 2019). The exercise extensification policy, particularly regarding SSBs, has attracted attention from a variety of stakeholders. This is based on the understanding that excessive consumption of sweetened beverages has been linked to a range of health problems, especially the increased risk of obesity and other non-communicable diseases (Popkin & Hawkes, 2016). By imposing an excise tax on SSBs, the government aims to influence consumer behavior and ultimately contribute to improved public health outcomes (Falbe et al., 2016).

The imposition of excise taxes on sugary beverages has received considerable attention due to its potential impact on public health, particularly in addressing the high prevalence of non-communicable diseases such as diabetes. Countries that have introduced excise taxes on sugary drinks have reported positive outcomes in reducing the prevalence of diseases like diabetes by influencing consumer behavior toward healthier choices (Sasono, 2024). Additionally, research has shown that the tax structure for sugary beverages can help decrease their consumption among the population, thereby potentially improving public health outcomes (Smith, 2024). Recent data analysis indicates that the number of people living with diabetes in Indonesia currently stands at 19.6 million, with 11.8 million diagnosed through the national health insurance system (BPJS Kesehatan). At the same time, an estimated 7.8 million remain undiagnosed (Ministry of Health, 2023). Projections suggest that the number of National Health Insurance (JKN) participants living with diabetes will rise from 6.9 million in 2022 to 10.2 million by 2045 (BPJS Kesehatan, 2023). This increase aligns with global trends, where the International Diabetes Federation (IDF) has projected a 69% rise in the prevalence of diabetes in developing countries between 2010 and 2030 (Shaw et al., 2010), as illustrated in the following figure.

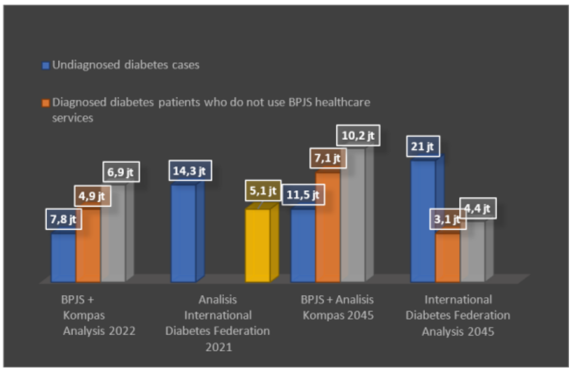

Figure 1. Number of People with Diabetes

The increasing economic burden reflects the urgency to implement more effective diabetes prevention and control strategies. According to health economic analysis, the average cost of diabetes treatment per National Health Insurance (JKN) participant is projected to rise from IDR 912,538 (during the 2018–2022 period) to IDR 2,309,599 by 2045, assuming an average inflation rate of 4.12% per year (BPJS Kesehatan, 2023). Consequently, the total financing for diabetes treatment through the JKN system is expected to reach IDR 23.59 trillion by 2045, a sharp increase from IDR 6.3 trillion in 2022 (Ministry of Finance, 2022), as illustrated in the following figure.

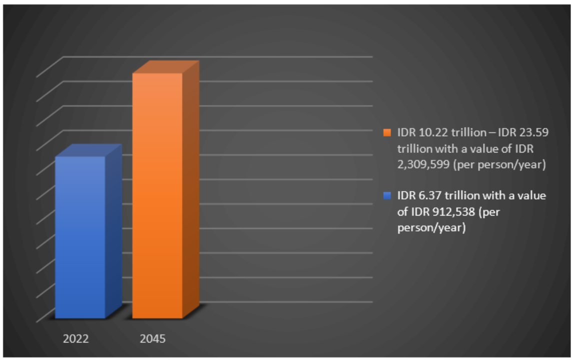

Figure 2. BPJS Funding Budget for People with Diabetes

However, the plan to impose excise taxes on packaged sugar-sweetened beverages has sparked both support and opposition in society. Supporters of the policy argue that the measure is necessary to protect public health and reduce the financial burden of healthcare on the government. A study by the World Health Organization shows that the implementation of excise taxes on sugary drinks in various countries has successfully reduced consumption levels by up to 25%, resulting in positive health outcomes for the population (WHO, 2022). Research in Mexico demonstrated that following the introduction of a sugar-sweetened beverage tax, purchases decreased by 7.6% within the first two years of implementation (Colchero et al., 2017). On the other hand, opponents of the policy, particularly from the industry sector, express concerns about its negative impact on businesses, employment, and consumers' purchasing power (ASRIM, 2022). The Chairman of the Indonesian Soft Drink Industry Association (ASRIM), Triyono Prijosoesilo, criticized the government's plan to impose excise taxes on packaged sugar-sweetened beverages (SSBs). He argued that the policy would be ineffective in improving public health quality, especially in reducing diabetes. He claimed that sugar-sweetened beverages are not the main contributors to calorie intake or disease in Indonesia. Instead, the excise tax would negatively affect the growth of the beverage industry without addressing the larger health problems (Tempo, 2024).

The Indonesian Food and Beverage Entrepreneurs Association (GAPMMI) estimates that the implementation of excise taxes could reduce sales by up to 30% and potentially threaten the sustainability of MSMEs (Micro, Small, and Medium Enterprises) in the beverage sector (GAPMMI, 2024). A study by the Indonesian Employers Association (Apindo) warns of the potential decline in production and reduction in workforce due to the excise tax on packaged sugar-sweetened beverages (Apindo, 2024). The implementation of the excise tax policy on Packaged Sugar-Sweetened Beverages (SSBs) in Indonesia faces several significant challenges, despite being designated as excisable goods (BKC) in 2022. These obstacles include resistance from the food and beverage industry sector, unprepared technical regulations, and insufficient policy socialization (Ministry of Finance, 2022). Industry opposition that hampers policy implementation, such as excise taxes on unhealthy products, is consistent with experiences observed in other countries (Wright et al., 2017). Research has shown that industries, particularly those producing products like tobacco and sugary drinks, often resist regulations aimed at controlling their products due to the potential impact on their business interests (Smith et al., 2012; Buckton et al., 2019). For example, the tobacco industry is known for employing various tactics, including lobbying and creating front groups, to influence tobacco tax policies and regulations (Walbeek et al., 2012).

In the policy of excise tax extension on packaged sugar-sweetened beverages (SSBs), there is a research gap, particularly in analyzing the potential threats that may arise from the failure to implement the policy. Previous studies tend to focus on the economic and health impacts of implementing the excise tax on SSBs. Research by Rosdiana et al. (2018) examined the potential state revenue and economic impact of imposing excise taxes on SSBs. Meanwhile, a study by Nurwahyuni et al. (2020) focused on analyzing the excise tax policy on SSBs as an instrument to control consumption and its impact on public health in Indonesia. Fiscal and regulatory aspects have also been the focus of several studies. Julianto and Sari (2019) analyzed the readiness of regulations and the tax administration system in implementing excise on SSBs. Meanwhile, Iswara et al. (2021) discussed challenges and opportunities from the perspective of the Indonesian food and beverage industry regarding the plan to impose excise taxes on SSBs. These studies provide valuable insights into various aspects of the excise tax policy on SSBs. However, the potential threats arising from the failure to implement the policy have yet to receive adequate attention in the academic literature. This gap is becoming increasingly relevant given the complex relationship between fiscal policy, public health, and national stability in Indonesia. A study by Sari et al. (2022) on the linkage between fiscal policy and national food security highlights the importance of a multidimensional perspective in public policy analysis. Still, it does not explicitly address the context of excise tax on SSBs and its implications for national stability.

Although there have been several studies related to the implementation of excise taxes on sugar-sweetened beverages, there remains a research gap that needs to be addressed. Previous studies tend to focus on the economic and health impacts of excise implementation or the effectiveness of excise taxes in reducing consumption of sugary drinks (Colchero et al., 2017; Teng et al., 2019). However, there is still a lack of research specifically analyzing the threats that arise from opposition to this policy, especially in Indonesia. In addition, most existing research employs quantitative approaches to measure economic and health impacts. Still, few have deeply explored qualitative aspects such as the motivations and strategies of stakeholders who reject the policy (Andreyeva et al., 2010). The excise extension policy on packaged sugar-sweetened beverages (SSBs) is designed to reduce excessive consumption of sugary drinks, which is expected to have positive effects on public health, such as lowering the risk of obesity and other non-communicable diseases, as well as optimizing state revenue, particularly excise revenue. However, to date, the policy has not been realized due to opposition from business actors. Existing research generally focuses on the policy's impact on health and consumer behavior. Still, it lacks in-depth studies on implementation barriers, particularly from the perspective of business actors who oppose the policy. Current studies tend to overlook the dynamics of interaction between the government and industry, including the influence of lobbying power and economic arguments such as threats to business continuity, job losses, and increased production burdens.

The urgency of this research lies in the threats arising from the rejection of the excise extension policy on Packaged Sugar-Sweetened Beverages (SSBs) in Indonesia. First, opposition to this policy has the potential to worsen the public health crisis, particularly concerning non-communicable diseases. WHO data (2022) shows that consumption of sugary drinks significantly contributes to increased risks of obesity, type 2 diabetes, and cardiovascular diseases. In Indonesia, the trend of SSB consumption continues to rise, with an average consumption of 167 ml per capita per day in 2022, far exceeding the WHO recommendation of 50 ml per day (Central Statistics Agency, 2023). Second, resistance to this policy could result in lost potential state revenue. A World Bank study (2023) estimates that the implementation of the SSB excise tax could generate additional revenue of IDR 5–7 trillion annually, which could be allocated to public health programs. Third, rejection of the policy sets a negative precedent for efforts to control the consumption of health-harming products. Rahman and Chen (2023) reveal that failure to implement the SSB excise tax may weaken the government's bargaining position in regulating similar products in the future. Fourth, resistance to the policy reflects the strong influence of the industry in the public policy-making process. Research by Anderson et al. (2024) identifies intensive lobbying strategies by the beverage industry that could compromise public health interests. Fifth, opposition to the SSB excise policy could hinder the achievement of the Sustainable Development Goals (SDGs) target to reduce non-communicable diseases by one-third by 2030 (Bappenas, 2024).

The State Intelligence Agency (Badan Intelijen Negara, BIN) holds a strategic role in securing government policies and providing early warnings against potential policy disruptions, as mandated by Law Number 17 of 2011 concerning State Intelligence. In the context of the excise extension policy on Packaged Sugar-Sweetened Beverages (SSBs), BIN's role becomes increasingly crucial given the complexity and sensitivity of the issues faced. Widjajanto (2021) emphasizes that economic intelligence is a vital component in safeguarding national interests in the era of globalization, including in the implementation of strategic fiscal policies. Intelligence strategies to secure government policies involve several critical stages, such as information gathering, in-depth analysis, and the formulation of policy recommendations. In this regard, BIN can play an active role in identifying and analyzing various potential threats that may arise from the rejection of the excise extension policy on SSBs, ranging from macroeconomic impacts to potential social unrest. Supriyatno (2020) highlights the importance of a comprehensive approach in policy intelligence, covering political, economic, social, and technological aspects. Furthermore, Firmansyah et al. (2023) underline the urgency of inter-agency collaboration in securing national strategic policies, where BIN can act as a catalyst in coordinating cross-sectoral efforts. Intelligence strategies also involve counterintelligence measures to anticipate and counter efforts that could undermine policy implementation, as explained by Prakoso (2021) in his study on public policy security in Indonesia. Thus, BIN's role in this context is not limited to threat identification but also encompasses broader aspects in supporting the successful implementation of the excise extension policy on SSBs.

2. Literature Review

2.1. Threat Theory

The threat theory is a framework that helps in understanding, identifying, and assessing potential threats to an asset, organization, or system. This theory provides a structured approach to analyze threats by considering various factors such as the threat actors, their motivations, capabilities, and opportunities. According to Law Number 17 of 2011 concerning State Intelligence, the legal definition of a threat is any effort, work, activity, or action—whether from domestic or foreign sources—that is assessed and/or proven capable of endangering the safety of the nation, security, sovereignty, territorial integrity of the Unitary State of the Republic of Indonesia (NKRI), and national interests. This definition reflects a comprehensive approach to understanding threats, consistent with the development of contemporary threat theory. Research on the threat analysis regarding the rejection of the excise extension policy on Packaged Sugar-Sweetened Beverages (SSBs) employs the threat analysis framework developed by Riehle (2013). To comprehensively measure the level of threat, an analysis of three interrelated main factors is required: intent, capability, and opportunity (Riehle, 2013). These three factors have a significant relationship; if any one factor is zero or absent, the overall threat level will decrease significantly or even disappear altogether.

In this study, the factor of intent refers to the will or motivation of parties opposing the implementation of the excise extension policy on packaged sugar-sweetened beverages. Riehle emphasizes that intent can be identified through analysis of the priorities and targets of actors who potentially threaten an interest (Riehle, 2013). In the case of opposition to the excise policy, intent can be seen from various indicators such as official statements from beverage industry associations and the allocation of resources deployed for opposition efforts. For example, the sugar-sweetened beverage industry association organizes rejection campaigns or submits formal objections against the policy plan. The second factor, capability, is defined as the physical means possessed by a party to realize its intent in the form of concrete actions (Riehle, 2013). In the context of this study, the capability of policy opponents can be measured through several aspects, such as the expertise and experience of human resources, the quality of organizational leadership and management, access to technology and financial resources, as well as networks and collaborations that can be utilized. For example, the capability of the sugar-sweetened beverage industry to lobby policymakers, mobilize public support, or conduct counter-studies on the impact of the excise policy.

The third factor is opportunity, which refers to the spatial-temporal relationship between the threatening party and the element that becomes the target of the threat (Riehle, 2013). In the context of the excise policy on sugar-sweetened beverages, opportunity can be analyzed through the proximity of the opposing parties to policymakers, their access to the decision-making process, weaknesses in the policy implementation system, as well as political and social momentum that can be exploited. For example, an unstable economic situation can be used as an argument to delay the implementation of the excise policy. Threats can be classified based on their level, potential, and the impact they cause. According to Sugirman (2009), threats are categorized into four levels. Minor threats have little impact on overall national stability and are relatively easy to manage, requiring minimal intervention and limited resources. Moderate threats are somewhat more serious and typically target specific elements such as regional infrastructure or development programs; however, they can still be managed with standard measures without large resource allocation. Serious threats have the potential to obstruct or even derail national development programs directly. They may target important state symbols or vital strategic assets, necessitating a comprehensive approach and inter-agency coordination. The highest category, critical threats, endangers fundamental aspects of the state such as its existence, integrity, and sovereignty. Addressing critical threats demands the mobilization of substantial human, material, and technological resources, along with intensive coordination among multiple institutions. This classification serves as a valuable framework for identifying threat levels, allowing mitigation efforts to be tailored according to the complexity and severity of each threat.

2.2. Scenario Planning Theory

Scenario planning is a strategic planning method that enables organizations to develop long-term strategies to face future uncertainties. This theory was further developed by Lindgren and Bandhold (2003), who explained that scenario planning is a tool that helps organizations make better decisions about the future by considering various possible outcomes. In this research, the scenario planning approach is used to identify and analyze different possible future scenarios. Using a quadrant system with two main driving forces will produce four different scenarios, where each quadrant represents a combination of the two identified driving factors. This method allows policymakers to prepare more comprehensive strategies to anticipate various possible stakeholder responses to the implementation of the excise tax policy. The scenario planning approach also assists in identifying key indicators that need to be monitored to recognize developments toward a particular scenario, thereby enabling more effective anticipatory actions.

In developing scenario planning for the policy of excise extension on packaged sugar-sweetened beverages, four stages need to be carried out systematically and comprehensively (Lindgren and Bandhold, 2003). The first stage begins with the identification of driving forces or key factors that will determine the direction of the policy in the future. Scenario development enables policymakers to prepare strategies that are more adaptive and responsive to various possible future outcomes. By understanding the characteristics of each scenario in depth, policymakers can develop more effective contingency plans and optimize the results of implementing the excise tax policy on packaged sugar-sweetened beverages.

2.3. Intelligence Strategy

Intelligence is defined in three main aspects according to Law Number 17 of 2011 concerning State Intelligence, which is also supported by the ideas of Sherman Kent, who is known as the Father of Intelligence Analysis. First, intelligence as knowledge refers to information that supports national policy, especially in the context of national security, prioritizing national interests amid a dynamically changing strategic environment. Second, in the organizational context, intelligence encompasses agencies that carry out functions of information collection, processing, analysis, and distribution. This organizational structure must support operational efficiency, including recruitment, training, utilization of advanced technology, and effective collaboration between units. Third, intelligence as an activity involves the practical application of intelligence analysis, including the stages of planning, execution, and evaluation, which are part of a continuous intelligence cycle.

Strategy, essentially, is a combination of “ends” (objectives), “ways” (methods), and “means” (resources) used to achieve specific goals. As explained by Lykke (1997), strategy can be analogized as a formula that integrates end goals with courses of action and the tools or resources used to accomplish them. This principle can be applied in various fields, including military, politics, economics, and intelligence, depending on which components of national power are activated to face specific challenges or threats. In the context of opposition to the excise extension policy on Packaged Sugar-Sweetened Beverages (SSBs), intelligence strategy can be applied to understand the dynamics and anticipate the actions of parties attempting to thwart the policy.

The "ends" in this strategy encompass the main objective, which is to ensure the sustainability of the excise extension policy implementation in order to achieve healthier sugar consumption control and support national development programs. This goal is aimed at preventing the negative impacts of excessive sugar consumption on public health while also creating a fair fiscal system. The "ways" or methods include analysis and implementation of strategic steps to protect this policy from opposition efforts. This may involve effective public communication to raise awareness about the importance of the policy, identifying key narratives used by opposing parties, and strengthening coordination among related agencies to address challenges. In this regard, strategic intelligence can be used to map key actors, including multinational companies, industry associations, and influential community groups. The "means" in this strategy refers to the available resources, such as intelligence data and information, expert teams involved in policy advocacy, political support, and financial resources for socialization campaigns. These resources are utilized to identify and assess the capabilities of parties opposing the policy and to mitigate risks arising from the economic, social, and political pressures they generate.

By integrating the "ends," "ways," and "means," the intelligence strategy can be designed to anticipate threats and counter resistance against the excise extension policy on Packaged Sugar-Sweetened Beverages (SSBs). This strategy not only focuses on securing the policy but also on efforts to strengthen the legitimacy and public support for the policy, thereby contributing to the achievement of national development goals and the protection of public health.

2.4. Human Security

In 1994, the United Nations Development Program (UNDP) introduced the concept of Human Security in a landmark report. This concept defines human security through two main aspects: freedom from fear and freedom from want. This principle was actually previously conveyed by the U.S. Secretary of State at the 1945 San Francisco Conference concerning the establishment of the United Nations, emphasizing that peace can be achieved by ensuring security in the areas of physical, economic, and social security (UNDP, 1994). Currently, the concept of security has significantly evolved from focusing solely on territorial security through military strengthening to emphasizing human security through sustainable development. According to the UNDP, human security encompasses seven main dimensions. Economic security focuses on protecting individuals from threats such as poverty and unemployment, while food security aims to prevent hunger, malnutrition, and limited access to food. Health security addresses issues related to limited healthcare access, disease outbreaks, and other health problems that can lead to death. Environmental security deals with challenges such as pollution, deforestation, natural disasters, and the scarcity of natural resources. Personal security involves protecting individuals from violence, crime, and conflict, whereas community security concerns safeguarding groups from discrimination based on ethnicity, religion, or armed conflict. Lastly, political security faces threats such as human rights violations, authoritarianism, and injustice. Based on this comprehensive framework, the threats posed by the consumption of sugary drinks fall mainly within three categories: health security, food security, and economic security.

Sugary drinks pose a significant health risk due to their excessive sugar content, which can trigger various diseases such as diabetes, obesity, and cardiovascular disorders. Within the health security dimension, this threat is not only related to the direct impact on individuals but also increases the burden on global health systems in managing non-communicable diseases. The World Health Organization (WHO, 2024) emphasizes that health security includes both proactive and reactive measures to minimize public health risks across regions, including threats from excessive sugar consumption. In the dimension of food security, sugary drinks threaten the availability and access to nutritious food because people tend to consume high-sugar beverages instead of healthy foods. Dependence on these products can lead to an imbalanced diet that affects the overall quality of life in society. The rejection of the sugary drink excise policy creates a complex dilemma within the dimension of economic security. On one hand, resistance from the industry, based on arguments about decreased purchasing power and business impacts, actually poses a long-term threat to national economic resilience. This is evident in several critical aspects: First, the economic burden arising from increased healthcare costs to treat diseases related to excessive sugar consumption, such as diabetes and obesity, weakens household economic capacity. Second, reduced labor productivity due to these health issues has the potential to lower national economic output. Third, pressure on the national health insurance system caused by high claims for non-communicable disease treatments erodes the country's fiscal stability. Fourth, the loss of potential excise revenue, amounting to IDR 6.25 trillion per year, reduces the government's ability to fund social protection and preventive health programs. The accumulation of these impacts creates a cycle that threatens the fundamentals of economic security, where the state's inability to finance essential public services further worsens economic welfare, which in turn weakens the overall national economic resilience. Therefore, the excise on sugary drinks should be seen as a strategic step to support long-term economic security.

2.5. Sugary Drinks in Packaging

Packaged Sweetened Beverages (PSB) can be defined as beverages containing added sweeteners, either natural sugars or artificial sweeteners, that are packaged ready for consumption. This definition includes various types of beverages with added sweeteners such as high-fructose corn syrup, fructose, glucose, or other artificial sweeteners. It may include soft drinks, sports drinks, energy drinks, sweetened tea, sweetened coffee, and similar products (Lee et al., 2023; AlTamimi et al., 2023). The definition and scope of Packaged Sweetened Beverages (PSB) have evolved and been adjusted in line with regulatory developments and growing understanding of their health impacts. The Indonesian Food and Drug Monitoring Agency (BPOM), through Regulation Number 21 of 2016 concerning Food Categories, classifies non-alcoholic soft drinks into five main categories. This classification includes drinking water and carbonated water, fruit and vegetable juices, fruit and vegetable nectars, flavored water-based beverages, and extraction or infusion beverages such as coffee and tea (BPOM, 2016). Further development came from the Ministry of Finance of the Republic of Indonesia in 2021, which proposed a more specific definition for taxable PSB objects. This proposal includes two main categories: first, ready-to-drink beverages containing caloric sweeteners, including packaged tea drinks, packaged fruit juices, energy drinks, and various other beverages such as coffee and carbonated drinks. Second, concentrates packaged for retail sale that require dilution before consumption, such as powders, syrups, condensed milk, and other solid products. However, the proposal also includes some exceptions, such as non-manufactured products, honey, and vegetable juices without added sugar, as well as goods for export or those that have been damaged (Ministry of Finance, 2021).

From a global perspective, the World Health Organization (WHO) and the World Bank have provided a broader definition of Packaged Sweetened Beverages (PSB), which includes various types of drinks such as carbonated beverages, energy drinks, packaged fruit juices, isotonic drinks, herbal and vitamin-enhanced drinks, flavored milk, packaged tea and coffee, as well as concentrate and powder products that require dilution or brewing (WHO & World Bank, 2020). Meanwhile, the Center for Indonesia's Strategic Development Initiatives (CISDI) offers a more comprehensive definition in its policy summary. CISDI defines PSB as all packaged beverage products containing sweeteners, whether sugar or other added sweetening agents, in liquid, concentrate, or powder forms. This definition includes but is not limited to carbonated drinks, energy drinks, packaged fruit juices, isotonic drinks, herbal and vitamin beverages, flavored milk, packaged tea and coffee, condensed milk, and syrups (CISDI, 2022). The diversity in definitions and scope of PSB reflects the complexity in regulating and controlling the consumption of sweetened beverages. It also underscores the importance of a comprehensive approach in formulating policies related to PSB, particularly in the context of imposing excise taxes as an instrument to control consumption and mitigate health impacts.

3. Method

In this study, a qualitative research design is used to analyze the threats arising from the rejection of the excise tax extension policy on Packaged Sweetened Beverages (PSB) and to identify appropriate intelligence strategies to address them. The qualitative approach is chosen because it allows for an in-depth exploration of the motivations, influences, and consequences of parties opposing the PSB excise tax extension policy. In line with Creswell's (2014) perspective, this research is based on an interpretative paradigm, where the researcher seeks to understand the phenomenon from the viewpoints of various relevant stakeholders and comprehensively analyze cause-and-effect patterns. Through this qualitative research design, the study will identify factors influencing the rejection of policy implementation and the impacts it generates, particularly regarding efforts to restrict and monitor certain consumer goods. Following Creswell's (2014) recommendations, data collection will be conducted through various sources, such as interviews, observations, and document reviews, to obtain a thorough understanding. The data analysis process is inductive, where the researcher will build patterns, categories, and themes from specific data to develop a comprehensive understanding of the phenomenon studied, while considering the perspectives of informants. Additionally, this study will include a comparative analysis, where the researcher will examine the number and types of excisable goods in various countries. This aims to assess the effectiveness and consequences of excise tax extension policies, which can subsequently be used as recommendations to improve or formulate more effective excise extension strategies in the future. In this process, the researcher serves as the primary instrument for data collection and analysis, ensuring that every interpretation and conclusion drawn is valid and accountable.

4. Results and Discussion

4.1. The Urgency of the Excise Tax Extension Policy on Packaged Sweetened Beverages (PSB)

The Indonesian government plans to implement an excise tax extension policy on packaged sweetened beverages (PSB) to control the rising sugar consumption in society. This policy was initiated due to the significant increase in sweetened beverage consumption and its negative health impacts. According to BPOM Regulation No. 21 of 2016, non-alcoholic soft drinks are classified into five main categories: drinking water and carbonated water, fruit and vegetable juices, fruit and vegetable nectars, flavored water-based drinks, and extracted or infused drinks such as coffee and tea. On December 17, 2021, the Ministry of Finance publicized the excise tax cluster under the Tax Harmonization Law, defining PSB excise objects into two main categories: first, ready-to-drink calorie-sweetened beverages such as packaged tea, fruit juices, energy drinks, coffee, and carbonated drinks; second, concentrates sold in retail that require dilution before consumption, like powders, syrups, and sweetened condensed products.

International standards by the WHO and the World Bank adopt a broader definition, including carbonated drinks, energy drinks, packaged fruit juices, isotonic drinks, herbal and vitamin beverages, flavored milk, packaged tea and coffee, syrups or concentrates needing dilution, and powdered drinks requiring brewing. The Directorate General of Customs and Excise continues to collaborate to finalize the excise policy for PSB to reduce the negative impacts of PSB consumption and encourage the industry to reformulate healthier beverages. The rising prevalence of obesity, diabetes, and other non-communicable diseases (NCDs) in Indonesia has increased the burden of disease and mortality caused by NCDs. Data from the Center for Indonesia's Strategic Development Initiatives (CISDI, 2022) show that seven out of ten leading causes of death in Indonesia are NCDs, with diabetes ranking third. Excessive PSB consumption contributes to increased risks of obesity, diabetes, hypertension, liver and kidney damage, heart disease, several cancers, and malnutrition. Every human organ is at risk of complications due to high sugar intake, including skin problems such as acne and dryness, and eye disorders like blindness, especially among diabetes patients. Based on Basic Health Research (Riskesdas) data from 2013 and 2018, the prevalence of obesity in people aged 18 and over increased from 14.8% in 2013 to 21.8% in 2018 (Riskesdas, 2018). The policy aims to reduce sweetened beverage consumption by raising prices and increasing excise revenue, while encouraging healthier drink choices. The excise designation process involves multiple stages and public input.

4.2. Opposition to the MBDK Excise Policy

The delay in finalizing technical regulations for excise collection on Packaged Sugar-Sweetened Beverages (MBDK) is closely linked to systematic industry efforts to influence policy. Despite having a legal basis in the Excise Law and inclusion in the state budget targets (APBN), implementation is hindered by industry approaches. Adhi S. Lukman, Chairman of Gapmmi, revealed attempts to shift focus from excise imposition to education and food reformulation through communication with the Ministry of Health and BPOM. Muhammad Misbakhun, a member of the DPR Commission XI, suspected lobbying activities by businesses of delaying the implementation of recommendations approved since 2018. The absence of technical regulations is not merely administrative but reflects the complex interests of industry actors affecting policymaking. Drafting Government Regulations on excise for MBDK is a complex, time-consuming process aimed at achieving the goal of reducing sugary drink consumption and improving public health.

Similar excise policies in Mexico and the UK have successfully reduced sugary beverage consumption through taxation. Mexico imposed a tax of 1 peso per liter on drinks containing over 5 grams of sugar per 100 ml since 2014, resulting in a 6% consumption drop in the first year and 9% among low-income groups (Colchero et al., 2016; Grogger, 2017). The UK's Soft Drinks Industry Levy since 2018 has led producers to voluntarily reduce sugar content by 28.8%, with consumption falling around 10% in two years (Public Health England, 2020; Scarborough et al., 2020). In the Philippines, the SSB tax under the 2018 TRAIN law lowered sugary drink consumption by 8.7% in the first year and increased state revenue by PHP 46.6 billion (~USD 900 million) in 2019 (Onagan et al., 2019; World Bank, 2021).

These international cases offer valuable lessons for Indonesia in designing excise strategies to promote healthier consumption and increase revenue. Resistance from the beverage industry has delayed the excise policy, impacting the fiscal position with a projected revenue loss of up to IDR 6.25 trillion annually, based on sugar content-based excise rates of IDR 1,500–2,500 per liter, excluding MSME products (CISDI, 2022). This resistance not only reduces potential state revenue but also limits funding for preventive health programs addressing non-communicable diseases like diabetes and obesity. Given Indonesia's limited budget for disease prevention, failure to implement MBDK excise creates a dual opportunity loss—both fiscal and public health-related.

4.3. Discussion

4.3.1. Opponents of the Extensification Policy on Excise for Packaged Sugar-Sweetened Beverages (MBDK)

The extensification policy on excise for packaged sugar-sweetened beverages (MBDK) has sparked opposition from industry players, trade associations, and specific consumer groups. Despite differing views on the policy's impact, the beverage industry largely disagrees with the government's excise expansion. Opposition comes not only from large producers but also from small and medium enterprises affected by the policy. This resistance poses multidimensional threats to the economy, society, and health. To describe these threats, researchers use Riehle's threat analysis formula: threat = intent × capability × opportunity.

Intent in Threat Analysis According to Riehle (2013), the sugary drink industry shows strong intent to block the excise extension policy, as seen in official statements by associations like GAPMMI and in the resources spent on impact studies and media campaigns. They fear excise will raise prices by 20-30%, reducing sales. Businesses create negative narratives and lobby intensively to delay or cancel the policy, involving the whole supply chain and business alliances. This intent is planned and based on economic calculations, despite harming public health and state revenue. Thus, the industry's intent is collective and strategic, aiming to protect profits and market position by opposing the policy.

According to Riehle (2013), the sugary drink industry and related associations have strong capabilities to oppose the MBDK excise policy. These include ample financial resources, extensive networks, and strong technical skills. They can fund research, media campaigns, and lobby via associations and business networks like KADIN and APINDO. Multinational companies have superior human and financial resources and a mobilizable distribution network to pressure the government. They use credible technical studies and data to strengthen their arguments and highlight the policy's negative economic impacts. These combined capabilities enable the industry to influence public opinion and policymakers to delay, revise, or cancel the excise policy to protect their business profits.

Opportunity, according to Riehle (2013), Post-pandemic economic and political instability provides the sugary drink industry with opportunities to oppose the MBDK excise policy. They leverage sensitive issues like risks to SMEs, job losses, and economic pressures from the Ukraine-Russia war and global raw material price hikes to strengthen their opposition narrative. The industry uses this uncertainty to argue that the excise policy will worsen economic and social conditions, gaining public sympathy and influence during the legislative process. They collaborate with research institutions to propose policy alternatives or delay implementation. Through political networks and access to policymakers, the industry seeks to delay or amend the policy by emphasizing its negative socio-economic impacts, particularly on SMEs and employment. This opportunity becomes a strategic tool to protect their business interests amid uncertain external conditions.

Threat formulation according to Riehle (2013) consists of three factors: intent, capability, and opportunity. In relation to the rejection of the excise extension policy on packaged sweetened beverages (MBDK), the researcher summarized the threat analysis based on interviews with key stakeholders, including industry leaders and government officials. The intent of the beverage industry players is clear: they strongly oppose the imposition of excise duties because it would increase product prices by 20-30%, threaten their sales and profits, and disrupt existing business operations. This opposition is expressed through organized narratives that emphasize the negative impact on micro, small, and medium enterprises (MSMEs) and employment. Industry actors intensively communicate with the government, form special teams including legal, economic, and communication experts, and use media campaigns to delay or derail the policy.

Capability-wise, especially multinational companies possess substantial financial resources, extensive political networks, and skilled human resources. These advantages allow them to influence public opinion and government policy through lobbying, partnerships with industry associations, research institutions, and media campaigns. They can produce detailed studies and build coalitions to strengthen their stance against the policy. Opportunities arise from the unstable post-pandemic economic and political environment. The incomplete economic recovery, global uncertainties, and political transition phases create openings for industry players to leverage narratives that portray the excise extension as harmful to MSMEs and the broader economy. This situation divides government attention and allows industry stakeholders to exert influence during the legislative process.

The rejection of the MBDK excise policy poses serious threats economically, socially, and health-wise. Economically, failure to collect the excise reduces state revenue and pressures fiscal space, while potential declines in sales and workforce layoffs could slow national economic recovery. Socially, the narrative of burdening small communities risks eroding public trust in government. Health-wise, delaying the policy prolongs the negative impacts of excessive sugar consumption, such as increased risks of obesity and diabetes. Referring to Sugirman (2009), this rejection could hinder national development programs aimed at sustainable industry growth, healthier product creation, and supporting the vision of a superior human resource for Indonesia's 2045 Golden Generation.

4.3.2. Intelligence Strategy to Address the Threat of Opposition to the Excise Extension Policy on Packaged Sweetened Beverages (MBDK)

The research discussion continues with an explanation of the intelligence strategy to address the threat of opposition to the excise extension policy on packaged sweetened beverages (MBDK). Based on the strategy theory proposed by Lykke (1997), the intelligence strategy theory, which integrates the concepts of "ends," "ways," and "means," is used to understand the challenges faced by the government while designing strategic solutions to ensure the successful implementation of the MBDK excise extension policy.

The main objective of the government in implementing the excise extension policy on packaged sweetened beverages (MBDK) is to control and reduce excessive sugar consumption through fiscal instruments as an effort to improve public health. Excessive sugar intake has been proven to be a significant risk factor for various non-communicable diseases such as diabetes, obesity, and cardiovascular diseases, which impose a significant burden on the national healthcare system. This excise policy is also designed to create a fairer taxation system by imposing levies on products that negatively impact public health. Moreover, the policy is expected to encourage healthier consumption behaviors and guide industry players to reformulate their products to meet stricter health standards. Such reformulation supports industry sustainability and enhances the competitiveness of local products in both domestic and international markets, especially where demand for healthier products is increasing. In the long term, the MBDK excise policy is expected to reduce the prevalence of non-communicable diseases, lower the economic burden on the healthcare system, increase workforce productivity, and strengthen national economic growth. Additionally, increased state revenue from excise taxes can be reallocated to support other public health programs.

The strategic steps (ways) taken to achieve the objectives of the excise extension policy on packaged sweetened beverages (MBDK) include three main approaches. First, raising awareness about the dangers of excessive sugar consumption is a primary focus to inform the public about serious health risks such as diabetes, obesity, and cardiovascular diseases. This socialization is carried out through intensive media campaigns and collaboration with health institutions and community organizations, strengthening public understanding of the negative impacts of excessive sugar intake. Second, the government employs negotiation and a persuasive soft power approach toward sweetened beverage producers. This approach encourages collaboration in reformulating products to be healthier while maintaining market competitiveness. Additionally, support is gathered from various stakeholders, including industry associations, academics, and community groups, to build a strong alliance for successful policy implementation. The approach aims to foster constructive dialogue, reduce potential conflicts, and ensure all parties understand the long-term benefits of the MBDK excise policy. Third, strengthening the policy framework is essential to ensure regulatory operational readiness, even though technical regulations on excise collection have yet to be issued. The government continues cross-sector discussions to develop fair and transparent regulations while considering the potential impact on micro, small, and medium enterprises (MSMEs).

The government has various strategic resources to support the excise extension policy on packaged sweetened beverages (MBDK), one of which is a strong legal foundation provided by Excise Law Number 7 of 2021. This law offers legitimacy and a basic framework for imposing excise taxes on products that pose public health risks. However, the full implementation of the policy is still pending the issuance of a Government Regulation (PP), which serves as the technical guideline. Without the PP, the policy cannot be operationalized effectively, even though the institutional groundwork has been laid. To support implementation, the Directorate General of Customs and Excise has already prepared the infrastructure and oversight mechanisms needed for excise collection, including monitoring and reporting systems. In addition, the government relies on intelligence information to identify potential resistance from industry actors and to anticipate socio-economic impacts that may arise. This intelligence is essential for ensuring that strategies are responsive to on-the-ground realities and the reactions of various stakeholders. Delays in policy implementation pose a risk to national economic security. Failure to collect excise taxes would directly impact state revenues, particularly those earmarked for health and social protection programs. At the same time, continued high consumption of sugar through sweetened beverages contributes to the growing burden of non-communicable diseases (NCDs), straining the healthcare system. Therefore, this policy also intersects with health and food security, which are critical elements of the broader concept of human security. Managing resistance from the beverage industry requires a strategic intelligence-based approach using scenario planning to grasp the dynamics of support and opposition better and to plan for a range of possible policy outcomes proactively.

In the context of the excise policy on sweetened beverages, two key driving forces can be identified: the speed of issuance of technical regulations (Government Regulation) and the level of industry resistance. These two factors are selected because of their dynamic nature and their potential to change substantially over time, while also having a fundamental impact on the success of policy implementation (Lindgren and Bandhold, 2003). In this model, the X-axis represents the speed of issuing technical regulations, ranging from weak to strong. At the same time, the Y-axis illustrates the level of industry resistance, ranging from low to high. Using this strategy, the government can formulate more adaptive and effective measures to address resistance, strengthen support, and ensure that the excise policy on sweetened beverages is implemented in alignment with its established strategic objectives.

Scenario 1 (Optimistic) describes the ideal condition for implementing the excise policy on sweetened packaged beverages (MBDK), where technical regulations are promptly issued and industry resistance is low. In this environment, a constructive and supportive policy ecosystem emerges, where business actors not only comply with the policy but also actively engage in its implementation. This outcome reflects the success of prior efforts in socialization, education, and negotiation that helped build a shared understanding of the policy's importance for public health. To support this scenario, the government should adopt a collaborative and continuous approach that includes all stakeholders throughout policy formulation, implementation, and evaluation. Business actors must be involved from the beginning, with space to voice their input, challenges, and possible solutions. Incentives such as fiscal benefits, public recognition through certificates, and administrative ease are also key to encouraging compliance. Moreover, regular evaluations should assess not only fiscal performance but also health, social, and economic impacts. Preventive strategies are necessary to sustain long-term policy effectiveness through continuous monitoring and strong inter-agency coordination among the Directorate General of Customs and Excise, the Ministry of Health, and other relevant bodies. Effective communication, coordination, and shared commitment across agencies will help prevent gaps or inconsistencies in policy implementation.

Scenario 2 (Moderate) illustrates a situation where the government successfully issues the technical regulations for the excise policy on sweetened beverages (MBDK) swiftly and decisively, but faces strong resistance from the business sector. This resistance manifests through protests, intense lobbying for policy revision, and even the threat of litigation. The opposition from industry is not purely economic; it reflects a clash of interests involving multiple stakeholders with differing agendas. Businesses argue against the policy using various justifications, including economic impact, social concerns, and business sustainability. To respond effectively, the government needs to strengthen dialogue and communication, clearly articulating the policy's long-term health, economic, and societal benefits. Incentives could also be offered to reduce resistance. Flexibility in technical implementation, such as phased rollouts or conditional excise reductions, can help businesses adapt while maintaining the policy's core objectives. On the preventive side, a soft power approach is essential, engaging businesses early in the policy process to foster a sense of ownership and reduce opposition. Collaborative impact assessments and stakeholder mapping are crucial for developing adaptive strategies. Ultimately, the policy's success depends on the government's ability to build agreements through accommodating yet firm dialogue, turning conflict into opportunities for collaboration.

Scenario 3 (Moderate) reflects a situation of strategic vulnerability in implementing the excise policy on sweetened beverages. Although resistance from business actors is relatively low, delays and weaknesses in issuing technical regulations (Government Regulation) become major obstacles. This delay opens an implementation gap that weakens the substance of the policy, potentially reducing it to a mere administrative formality without meaningful impact. The consequences are multidimensional economically, the state may fail to maximize revenue; in terms of public health, the goal to reduce sugary drink consumption becomes distorted; and politically, the government's credibility in formulating effective public policy is eroded. To address this, the government must prioritize the timely issuance of technical regulations, involving cooperative businesses as strategic partners to enhance the quality and speed of regulation. Capacity-building programs for businesses and workers, along with robust monitoring systems and transparent public communication, are essential to support the policy. Preventive strategies should focus on maintaining regulatory clarity, consistency, and decisiveness. Cross-sector coordination is key to expediting regulation and preventing loopholes that could weaken the policy. A responsive monitoring system is also crucial to detect issues early, assess implementation, and provide recommendations for improvement. A weak policy can set a negative precedent and diminish public trust in regulatory effectiveness.

Scenario 4 (Pessimistic) represents the most critical point in the implementation of the sweetened beverage excise policy (MBDK), where administrative delays coincide with high levels of resistance from industry players. This creates a systemically paralyzed policy environment, leading to prolonged and complex negative impacts. Delays in issuing technical regulations go beyond mere bureaucracy; they fuel uncertainty, eroding trust and enabling businesses to build entrenched narratives of opposition. This scenario undermines public confidence, disrupts business ecosystems, deters investment, and increases socio-economic tension. The damage is not only financial but also reputational, weakening the government's credibility in policy-making. To prevent this worst-case scenario, several strategies must be employed. These include educational campaigns involving mass media, social media, and local communities, promoting the long-term health and economic benefits of the policy. Communication materials should be data-driven and scientific, countering industry objections, while leveraging public figures and health experts to deliver messages in accessible ways. Public forums, workshops, and webinars should also be held regularly to foster shared ownership of the policy among stakeholders. Cross-sector coordination between the Ministry of Finance, Customs, the Ministry of Health, the Ministry of Industry, and related agencies must be strengthened. Industry associations should be involved in understanding their concerns and clarifying governmental constraints. Additionally, technical regulations must be expedited, and incentives offered to encourage policy acceptance. Finally, identifying key opponents such as major industry groups or specific consumer segments will allow the government to focus its outreach and resistance-mitigation strategies more effectively.

4.3.3. Intelligence Analysis

The rejection of the excise policy on packaged sweetened beverages (MBDK) poses significant threats, especially in terms of health and socio-economic impacts. Although there is strong scientific evidence about the harmful effects of excessive sugar consumption, industry resistance remains high due to economic concerns such as disruptions to the supply chain, reduced competitiveness, and increased prices for consumers. The problem is worsened by the absence of technical regulations (Government Regulation), creating legal uncertainty and loopholes that are exploited to oppose the policy. Two critical points in this resistance are the industry's communication strategy emphasizing economic impacts and the lack of technical regulations that weaken policy implementation. This complexity reflects the clash of interests among industry, government, and the health sector. Therefore, a 'soft power' and collaborative approach is needed to formulate a fair policy and prevent social unrest due to regulatory unpreparedness.

The study findings indicate a series of strategic indicators that require special attention from policymakers. The early warning system involves identifying potential resistance against the planned implementation of the MBDK excise policy. Based on interviews, several early signals suggest the complexity of possible rejection threats. The first identified signal is the mobilization of interests from sweetened beverage industry actors who systematically begin building a narrative of opposition through various communication channels. The industry launches counter-narratives aiming to undermine health arguments by emphasizing stronger economic perspectives. This effort includes a series of media publications and campaigns highlighting the potential economic losses resulting from the excise implementation. The second indicator is the emergence of interest groups actively resisting the policy plans. They not only passively oppose but also develop strategies by presenting expert support for their arguments, conducting alternative studies, and building cross-sector coalitions to weaken the legitimacy of the MBDK excise policy. Additionally, a significant challenge in implementing the excise policy is the lack of technical regulatory instruments for excise collection. If the government does not promptly issue the Government Regulation, this gap will create a legal loophole that various parties can exploit to oppose or obstruct the policy implementation process.

The forecast of threats to the excise extension policy on packaged sweetened beverages (MBDK) reveals complex and significant consequences. A major contributing factor to worsening the situation is the absence of technical implementation regulations in the form of a Government Regulation, making effective enforcement difficult. This condition is expected to lead to an increased prevalence of non-communicable diseases such as obesity, diabetes, and cardiovascular diseases due to uncontrolled excessive sugar consumption. From a fiscal perspective, excise revenue potential will not be optimized, while the government will face growing healthcare costs related to these diseases. Moreover, the delayed implementation of the policy risks undermining the government's credibility in the public eye. Political dynamics and economic interests also play a crucial role in the policy's success, as opposing industry groups intensify their efforts using political strategies, media campaigns, and public opinion mobilization to weaken health arguments and the legitimacy of the MBDK excise policy.

Successful implementation of the MBDK excise policy requires a strategic approach focusing on three main steps. First, accelerate the completion of technical regulations through a cross-ministerial team with clear timelines and early identification of legal obstacles. Second, establishing interactive dialogue involving all stakeholders, ranging from the beverage industry, producer associations, micro-business actors, health practitioners, and civil society, to achieve mutual agreement and synergy between national interests and industry players, utilizing a soft power approach. Third, designing a policy transition system supported by tax incentives for industries innovating or reformulating low-sugar products, technical assistance for product transformation, and socio-economic protection schemes for affected businesses.

Thus, the excise policy transition becomes not just a fiscal tool but also a catalyst for transforming the beverage industry towards healthier and more sustainable practices. This comprehensive approach enables the government to develop systematic mitigation strategies that balance public health goals, industry sustainability, and national economic interests.

5. Conclusion

This study concludes that the rejection of the excise policy on packaged sweetened beverages (MBDK) poses a serious threat to national development efforts, particularly in achieving a sustainable industry and improving public health. This threat arises from systematic efforts by the beverage industry to mobilize negative narratives, strategic resources, and financial power to undermine the policy. Although often framed as economic concerns, the core motive is to preserve profit margins while disregarding the impact on public health. An effective intelligence strategy involves accelerating the issuance of technical regulations, strengthening cross-sector communication, and developing a fair and adaptive policy transition system. Intelligence also plays a vital role in the early detection of resistance and in building stakeholder support, so that the excise policy becomes a tool for transforming the beverage industry into a healthier, more sustainable, and equitable ecosystem.

Academically, further research is needed to explore industry resistance, evaluate mitigation strategies, and learn from the implementation of similar policies in other countries. Longitudinal studies and the development of integrated evaluation frameworks across health, fiscal, and economic sectors are essential to enhance policy effectiveness. Practically, the government should strengthen intelligence monitoring of industry dynamics, initiate systematic engagement with industry associations, and accelerate the formulation of technical regulations. The Ministry of Health and the Ministry of Industry must provide scientific evidence on the health and economic impacts to counter industry arguments. At the same time, the Directorate General of Customs and Excise should establish an adaptive and digital excise collection system. Additionally, fiscal incentive schemes should be considered to encourage the shift toward healthier beverage products. These recommendations aim to ensure that the MBDK excise policy is implemented effectively, fairly, and as a catalyst for national industrial transformation.

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