

Between Policy and Reality, an Evaluation of Swiftlet Nest Tax Implementation in Hulu Sungai Utara, South Kalimantan

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Abstract

This study evaluates the swiftlet nest tax policy in Hulu Sungai Utara Regency, South Kalimantan, Indonesia, focusing on its effectiveness in increasing Original Local Revenue (PAD). Despite the high economic potential of the swiftlet sector, its contribution to PAD remains below 1%, revealing a gap between potential and fiscal realization. Using a qualitative descriptive approach, data were collected through in-depth interviews and focus group discussions with 19 key informants, complemented by document analysis of regional regulations. The evaluation employs William N. Dunn's policy criteria effectiveness, efficiency, adequacy, equity, and responsiveness along with George C. Edward III's implementation theory. Findings indicate that the policy is administratively compliant but substantively ineffective. Low taxpayer compliance, weak supervision, inadequate monitoring, and insufficient risk-based instruments hinder revenue optimization. Efficiency and adequacy are limited, the distribution of tax burdens is inequitable, and responsiveness remains procedural rather than adaptive. The study suggests that sustainable improvement of PAD requires an integrated, adaptive, and policy-learning-oriented approach. This includes data-based governance, risk-focused monitoring, equitable taxpayer treatment, and periodic evaluation to align policy instruments with sector characteristics. The research provides a conceptual and practical framework for enhancing local fiscal policy in high-potential but underperforming sectors.

Keywords: Swiftlet Nest Tax, Policy Evaluation, Regional Original Revenue

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INTRODUCTION

In the context of regional autonomy, the capacity of local governments to generate and manage Regional Original Revenue (Pendapatan Asli Daerah, PAD) serves as a key indicator of fiscal independence. The higher the contribution of PAD to total regional revenue, the greater the local government's capacity to finance development and public services independently, without excessive reliance on central government transfers. Regional taxes are a strategic instrument in PAD because they not only serve as a revenue source but also reflect the quality of local governance through the effectiveness of policy implementation, taxpayer compliance, and the monitoring and evaluation systems in place.

According to Halim (2016), a high PAD contribution indicates a higher level of regional autonomy in carrying out development. However, empirically, most regions in Indonesia, including Hulu Sungai Utara Regency (HSU), remain heavily dependent on Balancing Funds such as the General Allocation Fund (Dana Alokasi Umum, DAU) and the Special Allocation Fund (Dana Alokasi Khusus, DAK). This condition indicates that the potential of PAD, particularly from the regional tax sector, has not been optimally utilized. One type of regional tax with high economic potential but minimal contribution is the swiftlet nest tax.

Swiftlet nest commodities have high economic value in both domestic and international markets, especially in South Kalimantan, including Hulu Sungai Utara Regency. The HSU government has established the swiftlet nest tax policy through Regional Regulation No. 33 of 2011, reinforced by Regional Regulation No. 6 of 2021 concerning Regional Taxes, in line with Law No. 1 of 2022 on Financial Relations between the Central and Regional Governments (HKPD). Nevertheless, the contribution of the swiftlet nest tax to HSU's PAD in recent years has remained very low, at less than 1 percent, even though the number of swiftlet buildings continues to increase annually. This indicates a significant gap between the economic potential of the swiftlet sector and the actual regional tax revenue collected.

The low contribution indicates problems in the implementation of the swiftlet nest tax policy, including low taxpayer compliance, weak supervision and enforcement of sanctions, limited transparency in production reporting, and suboptimal monitoring and evaluation mechanisms. Theoretically, the success of public policy implementation is strongly influenced by the clarity of regulations, the capacity of implementers, coordination among stakeholders, and an effective oversight system. Therefore, evaluating the swiftlet nest tax policy in Hulu Sungai Utara Regency is crucial to identify the causes of its low performance and to formulate more effective policy improvements aimed at sustainably increasing Regional Original Revenue (PAD).



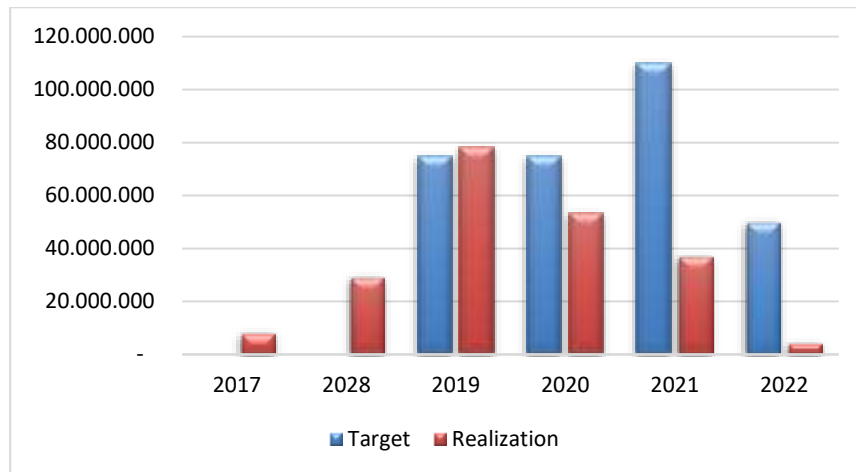


Figure 1. Swiftlet Nest Tax Revenue in Hulu Sungai Utara District

Source: Regional Revenue Agency of Hulu Sungai Utara District (2025)

The targets and actual revenues of the swiftlet nest tax in Hulu Sungai Utara Regency over the past five years have shown fluctuations with a declining trend. The highest revenue was recorded in 2019, followed by a significant decrease in subsequent years. This decline is partly due to the low awareness and compliance of business actors in reporting production and paying taxes, despite tax rates being clearly regulated in Hulu Sungai Utara Regency Regional Regulation No. 6 of 2021, Article 47, Paragraph (1). The decrease in revenue reflects the weak effectiveness of the policy in optimizing the swiftlet nest tax potential as a source of Regional Original Revenue (PAD).

Theoretically, the success of public policy implementation is influenced by communication, resources, implementers' disposition, and bureaucratic structure (Edward III, 1980), supported by good fiscal governance and transparency (Bahl & Linn, 1992; Kuncoro, 2014). However, in practice in Hulu Sungai Utara Regency, these aspects have not operated synergistically. Based on the policy evaluation framework by Nurcholis (2005) and Dunn's evaluation criteria (2003), the supervision of the swiftlet nest tax policy has not been effective, efficient, or properly targeted, resulting in low taxpayer compliance and minimal contribution of this sector to PAD. This condition indicates a gap between the ideal concept of policy implementation and the reality on the ground.

The novelty of this research lies in its integrative and contextual evaluative approach. This study combines George C. Edward III's policy implementation theory (1980), William N. Dunn's policy evaluation framework (2003), and the principles of good governance to assess aspects of policy socialization, business actors' compliance, as well as tax supervision and enforcement. The empirical focus on Hulu Sungai Utara Regency strengthens the study's position as an analysis of a

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region with high economic potential but low tax contribution. In line with this novelty, the research aims to evaluate the effectiveness of the swiftlet nest tax policy in increasing the Regional Original Revenue (PAD) of Hulu Sungai Utara Regency, analyze the inhibiting and supporting factors in policy implementation, and formulate a model for optimizing the swiftlet nest tax policy oriented toward sustainable PAD improvement.

LITERATURE REVIEW

Public Policy Evaluation

Public policy is a term generally translated as “policy,” although in the literature, the term “prudence” is also occasionally used (Darwin, 1998; Wibawa, 1994; Islamy, 2001; Wahab, 1990). Conceptually, public policy is understood as the strategic utilization of resources by the government to solve public problems and protect the interests of society, particularly disadvantaged groups (Chandler & Plano, 1998). Dye (1981) broadly defines public policy as anything chosen by the government to do or not do in response to public issues, indicating that policy encompasses both government action and inaction (Ayuningtyas, 2014; Young & Quinn, 2002). This definition is reinforced by Anderson, who views public policy as a series of deliberate and directed actions by government actors in addressing specific public problems. Meanwhile, Nasucha (2004) emphasizes that public policy represents the authority of the government manifested in legal regulations to absorb social dynamics and create order and harmonious social relations within society.

Evaluation, derived from the term *evaluation*, refers to the process of assessing an object by systematically comparing it against specific standards or criteria in a responsible manner (Oxford Advanced Learner’s Dictionary). Tyler (1949) regards evaluation as a process to determine the extent to which predetermined goals are truly achieved, while Rossi and Freeman (1985) define it as the application of systematic social research procedures to assess the planning, implementation, and coherence of social intervention programs. This perspective aligns with Patton (1978), who emphasizes that evaluation involves systematic activities to collect information and assess program impacts to produce judgments useful for decision-making. Therefore, policy evaluation can be understood as a systematic assessment process of a policy’s implementation and outcomes to determine its level of success and its feasibility for continuation or improvement.

Policy evaluation aims to assess the performance, efficiency, outputs, and impacts of a policy, while also identifying discrepancies between objectives and actual outcomes and providing



input for the formulation of better policies in the future. Through evaluation, the government can determine the level of target achievement, the balance between costs and benefits, the quality of policy outcomes, and the social and economic impacts generated. In addition, policy evaluation serves as a tool for public accountability by providing logical explanations for policy implementation, measuring compliance with standards and procedures, auditing the use of budgets and achievement of targets, and assessing the socio-economic consequences of the implemented policy (Dunn, 2003; Ripley, 1985).

Regional Tax Policy on Swiftlet Nests

Taxes are mandatory contributions imposed on individuals or entities by the state based on law, without receiving direct compensation, and are used to finance public expenditures for the greatest possible welfare of the people. This concept emphasizes that taxes function not only as a source of state revenue but also as an instrument to support governance and national development (Soemitro, 1992; Mardiasmo, 2018). The main elements of taxes include their compulsory nature, clear legal basis, absence of direct compensation, and purpose for the public interest. Regional taxes are part of the national taxation system, with collection authority delegated to provincial or regency/city governments. Regional taxes are defined as mandatory contributions owed to the region by individuals or entities, compulsory under law, without direct compensation, and used to finance local government administration as well as regional development and public services (Republic of Indonesia, 2009). The fundamental difference between central and regional taxes lies in the authority to manage and utilize them, with regional taxes serving as a crucial instrument to increase Local Own-Source Revenue (Pendapatan Asli Daerah, PAD) and strengthen regional fiscal independence.

Hulu Sungai Utara Regency Regional Regulation Number 33 of 2011 on Swiftlet Nest Tax comprehensively regulates the definition and scope of tax collection, including definitions of the region, local government, regent, tax officials, business entities, as well as the concepts of regional tax and swiftlet nest tax. The regulation stipulates that the swiftlet nest tax is levied on the activities of harvesting and/or exploiting swiftlet nests by individuals or entities as taxpayers. It also regulates various regional tax administrative instruments, such as SPTPD, SSPD, SKPDKB, SKPDKBT, SKPDLB, SKPDN, and STPD, along with inspection and investigation mechanisms to ensure compliance and law enforcement in regional taxation.

Furthermore, this Regional Regulation was enacted as a follow-up to Law Number 28 of 2009 concerning Regional Taxes and Regional Retributions, which grants regency/city



governments the authority to collect the swiftlet nest tax. Given the high level of swiftlet nest harvesting and exploitation in Hulu Sungai Utara Regency, this policy aims to optimize tax collection as a source of Local Own-Source Revenue (PAD). Accordingly, the swiftlet nest tax is expected to serve as a fiscal instrument that supports the enhancement of regional financial independence through the taxation sector.

RESEARCH METHODOLOGY

This study employs a qualitative approach with a descriptive qualitative type to deeply understand and analyze the phenomena, events, and social dynamics related to the Swiftlet Nest Tax policy in Hulu Sungai Utara Regency. This approach was chosen because it allows the researcher to capture the full reality of the policy in its natural context. In its implementation, the researcher interacts directly with the research subjects and acts as the primary instrument, ensuring that the data obtained are in-depth, contextual, and relevant to the focus of the study (Sugiyono, 2017).

The study focuses on four main aspects: policy effectiveness, implementation efficiency, policy adequacy, and the responsiveness of taxpayers and implementing officers. Primary data were collected through in-depth interviews and Focus Group Discussions (FGDs) with 19 informants selected using the key person technique, including leaders of the Regional House of Representatives (DPRD), officials from the Regional Revenue Agency, and staff handling tax registration and collection. Secondary data were obtained through document and literature review, particularly Hulu Sungai Utara Regency Regional Regulation Number 33 of 2011 on Swiftlet Nest Tax and Regional Regulation Number 6 of 2021 on Regional Taxes, especially Article 47 Paragraph (1), as the basis for policy analysis.

Data analysis was conducted interactively following the Miles and Huberman model, which includes stages of data collection, data condensation, data presentation, and drawing conclusions and verification. Data condensation was performed to focus on information relevant to the research objectives, while data presentation was organized in narratives and charts for easier comprehension (Nugrahani, 2008; Sugiyono, 2017). The final stage, drawing conclusions, was carried out carefully and continuously to ensure the validity and credibility of the findings in addressing the research questions.



RESULTS AND DISCUSSION

Effectiveness Evaluation of the Swiftlet Nest Tax Policy

Hulu Sungai Utara Regency is located in the northern part of South Kalimantan Province, between 2°17'–2°33' South Latitude and 114°52'–115°24' East Longitude. The region is predominantly lowland, with an elevation of 0–7 meters above sea level and a land slope of 0–2%, making it largely dominated by swamps and rice fields. Of the regency's total area of 882.80 km², 30.86% is swamp forest and 28.31% is used for rice fields, while residential areas cover only about 4.95%. Administratively, Hulu Sungai Utara consists of 10 districts, with Paminggir being the largest and Sungai Tabukan the smallest in terms of area.

As of 2020, the population of Hulu Sungai Utara reached 231,594, with 117,505 females and 114,089 males. Amuntai Tengah District has the highest population, while Paminggir has the lowest. The majority of residents are Muslim, supported by 110 mosques and 614 prayer rooms in 2019. Educational facilities range from elementary to higher education, with 180 public elementary schools and 82 private kindergartens. Local governance is regulated under Regional Regulation Number 1 of 2011, with the Secretariat overseeing several assistants and sections, including the Economic and Natural Resources Section, responsible for planning economic and resource management programs. In the 2012/2013 fiscal year, this section was staffed by 13 personnel, predominantly holding bachelor's degrees (46.16%).

In line with the characteristics of local government governance and the capacity of its apparatus as previously described, the evaluation of the effectiveness of the Swiftlet Nest Tax policy in Hulu Sungai Utara Regency indicates that the policy has not achieved its normative goal, namely to optimally increase the Regional Original Revenue (PAD). From William N. Dunn's policy evaluation perspective, effectiveness is understood as the degree to which policy objectives are achieved through the outcomes produced, not merely administrative compliance with regulations (Dunn, 2003). Empirical findings show that low taxpayer compliance, weak supervision of production and sales transactions, and reliance on the honesty of business actors have resulted in the economic potential of swiftlet nests particularly in areas with a high number of swiftlet buildings such as Paminggir District failing to translate into significant fiscal revenue. This situation highlights an implementation paradox, where regulations, standard operating procedures, and coordination among regional government agencies exist and function formally, yet do not produce substantive outcomes in the form of increased PAD. Consequently, the swiftlet nest tax policy can be categorized as administratively compliant but substantively ineffective, reinforcing previous research findings on the weak effectiveness of swiftlet taxes due to limited supervision and



compliance (Rahmawati, 2020; Sukmana, 2021; Ardiani, 2022), while also enriching Dunn's evaluation framework by demonstrating that the effectiveness of regional tax policies is highly influenced by the context of local resource-based business sectors that are difficult to monitor.

Table 1. Review of the Efficiency Evaluation of the Swiftlet Nest Tax Policy

Efficiency Evaluation Aspect (Dunn)	Analytical Indicator	Empirical Field Findings	Evaluative Review
Utilization of Human Resources	Alignment between number and capacity of staff and tax objects	Bapenda's human resources are limited and disproportionate to the number of swiftlet buildings	Administrative inputs are insufficient to generate adequate supervision, resulting in underexploited tax potential
Tax Collection Mechanism	Rationality of the collection system relative to revenue outcomes	Collection relies on self-assessment without verification of harvesting and sales	The collection mechanism is inefficient due to excessive dependence on taxpayer honesty
Administrative Procedures	Comparison between administrative costs and fiscal outcomes	SOPs and procedures are implemented, yet tax revenue remains low	Pseudo-administrative efficiency occurs; procedures exist but fail to produce substantive outcomes
Field Supervision	Intensity and continuity of production monitoring	Direct supervision of production and transactions is not conducted	Absence of field control causes policy costs to be disproportionate to results
Policy Socialization	Effectiveness of outreach in improving compliance	Socialization is conducted regularly, but participation and impact are low	Policy inputs (socialization) do not lead to behavioral change among taxpayers
Inter-agency Coordination	Degree of coordination among government agencies	Coordination functions formally across agencies	Coordination has not been translated into increased fiscal revenue

Policy Output and Outcome	Input–output–outcome ratio	Contribution of the swiftlet nest tax to PAD remains low	The policy is substantively inefficient based on Dunn’s criteria
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Source: Author’s analysis based on interviews and field observations, using William N. Dunn’s policy evaluation framework (2003).

The table reviewing the efficiency evaluation of the Swiftlet Nest Tax policy indicates that the implementation of the policy in Hulu Sungai Utara Regency remains substantively inefficient. The limited apparatus resources are disproportionate to the number of taxable objects, the collection mechanism still relies on self-assessment without field verification, and the relatively high administrative and socialization costs have not been matched by a significant increase in tax revenue. Although administratively the SOPs and coordination among regional government agencies are in place, the fiscal results do not reflect the economic potential of the swiftlet sector, meaning that the apparent efficiency is more administrative than a true policy efficiency producing tangible outcomes.

Complementing previous findings on the low effectiveness of the policy, the efficiency evaluation of the Swiftlet Nest Tax in Hulu Sungai Utara, from William N. Dunn’s perspective, shows that the policy is also inefficient in terms of the rational comparison between inputs, outputs, and outcomes (Dunn, 2003). Empirical findings reveal that the limited number and capacity of personnel in the Regional Revenue Agency are not proportional to the number of taxable objects, resulting in sporadic supervision and reliance on self-assessment based on taxpayer honesty. While administratively supported by SOPs, inter-agency coordination, and relatively routine socialization activities, all these inputs do not generate commensurate fiscal outputs and outcomes because they are not accompanied by field monitoring of production, sale values, and harvest frequency of swiftlet nests. This condition demonstrates pseudo-efficiency, where time, energy, and costs of apparatus are absorbed, yet tax contributions to PAD remain low. In line with Rahmawati (2020) and Sukmana (2021), these findings reinforce Dunn’s view that public policy efficiency cannot be judged solely by procedural completeness but by the actual capacity of the policy to convert resources into optimal outcomes, highlighting that regional tax policy efficiency is highly contextual, particularly in informal sectors that are difficult to supervise.

Adequacy Evaluation of the Swiftlet Nest Tax Policy

Within William N. Dunn’s (2003) policy evaluation framework, adequacy is understood as



the extent to which a policy is able to address the public problem it targets, rather than merely producing administrative outputs. In the context of the Swiftlet Nest Tax, the primary issues to be addressed are the low contribution of tax revenue to the Regional Own-Source Revenue (PAD) and the weak compliance of swiftlet entrepreneurs in reporting and paying taxes. Therefore, adequacy evaluation is aimed at assessing whether the implemented policy is sufficiently robust and capable of effectively addressing these two structural problems (Dunn, 2003).

Empirical findings indicate that the Swiftlet Nest Tax policy in Hulu Sungai Utara Regency remains inadequate. Although the number of swiftlet buildings and production potential continues to increase, tax revenue realization remains low and does not reflect the existing economic potential. Entrepreneur compliance is still weak, particularly in reporting harvest results and sales values, as it is not supported by supervisory mechanisms capable of verifying report accuracy. Normatively, policy instruments such as the regulation of rates, subjects, and taxable objects are in place, but they have not been complemented by effective control systems for production and transactions, leaving room for tax leakage. From Dunn's perspective (2003), this condition demonstrates that the policy is inadequate because it has not successfully reduced the gap between potential and actual tax revenue.

Table 2. Review of the Adequacy Evaluation of Policy

Adequacy Criteria (Dunn)	Policy Problem	Policy Objective	Empirical Findings	Adequacy Assessment
Adequacy of outcomes in addressing public problems	Low contribution of swiftlet nest tax to local revenue	Increase local revenue (PAD)	Tax revenue remains low despite increasing economic potential and number of swiftlet buildings	Inadequate
Adequacy in promoting taxpayer compliance	Low level of taxpayer compliance	Encourage accurate reporting and timely tax payment	Production and sales reporting relies heavily on taxpayer honesty	Inadequate
Adequacy of policy instruments	Tax leakage and underreporting	Prevent tax avoidance and leakage	Regulations exist, but monitoring of production and transactions is weak	Inadequate



Adequacy Criteria (Dunn)	Policy Problem	Policy Objective	Empirical Findings	Adequacy Assessment
Adequacy of control mechanisms	Weak field supervision	Strengthen control over real economic activities	No direct verification of harvesting and sales processes	Inadequate
Adequacy of policy impact	Gap between potential and realization	Reduce fiscal imbalance	Most of the economic potential remains outside the local fiscal system	Inadequate
Substantive adequacy of the policy	Structural policy failure	Resolve core policy problems	Policy operates symbolically and administratively rather than substantively	Inadequate

Source: Author's analysis based on field interviews, observations, and William N. Dunn's policy evaluation framework (2003)

This table describes the equity evaluation of the tax policy, focusing on whether the implementation of the Swiftlet Nest Tax is applied fairly among taxpayers. The assessment highlights disparities in tax compliance and enforcement, where compliant taxpayers tend to bear a greater burden, while non-compliant actors often remain insufficiently monitored. As a result, the policy has not yet ensured equal treatment across all business actors, indicating that equity in tax collection and enforcement remains weak and requires stronger oversight and fairer application of sanctions.

The findings of this study are consistent with those of Rahmawati (2020) and Sukmana (2021), who conclude that swiftlet nest tax policies in various regions remain inadequate due to weak data collection and supervision, and they also support Ardiani (2022), who emphasizes the importance of partnerships and trust in building taxpayer compliance. However, unlike Fitriani (2023), who focuses on policy adequacy through the digitalization of reporting systems, this study demonstrates that policy adequacy is more strongly determined by the state's ability to reach real economic practices through effective supervision and continuous evaluation. Consequently, the swiftlet nest tax policy in Hulu Sungai Utara Regency still reflects policy inadequacy, indicating that improvements should be directed toward strengthening control capacity and policy evaluation rather than merely addressing administrative or technical aspects.



Equity Evaluation of Tax Policy

Equity in policy evaluation, according to William N. Dunn, refers to the extent to which the burdens and benefits of a policy are distributed fairly among the target groups. Equity is not interpreted as an equal distribution, but rather proportional according to capacity, contribution, and the policy's impact on each group. In tax policy, the principle of equity is crucial because unfairness in burden allocation and treatment can reduce compliance and weaken the legitimacy of the policy in the eyes of taxpayers (Dunn, 2003).

The findings indicate that the Swiftlet Nest Tax policy in Hulu Sungai Utara Regency has not met the principle of equity. Compliant entrepreneurs who report production honestly bear a higher tax burden, while non-compliant entrepreneurs often escape supervision and collection. Furthermore, oversight and enforcement are uneven, incidental, and not based on systematic risk mapping. This situation creates horizontal inequity and reinforces perceptions of unfairness among taxpayers, as critiqued within Dunn's equity evaluation framework. These results align with Ardiani (2022), Rahmawati (2020), and Sukmana (2021), who emphasize that weak swiftlet tax supervision leads to unequal burden distribution and reduces compliance. Evaluatively, the policy demonstrates a policy failure in terms of equity, as the state indirectly provides negative incentives to compliant taxpayers. From Dunn's perspective (2003), this equity failure can create a cycle of non-compliance and becomes a structural obstacle to increasing Regional Own-Source Revenue from the swiftlet nest tax.

Table 3. Review of the Equity Evaluation of Tax Policy

Equity Dimension	Empirical Conditions	Evaluative Analysis	Policy Implications
Tax burden among swiftlet entrepreneurs	Compliant entrepreneurs who honestly report production and sales values bear a higher tax burden than non-compliant ones	Horizontal inequity occurs because taxpayers with similar business characteristics are treated differently due to weak supervision	Voluntary compliance weakens and encourages tax avoidance behavior
Equality of treatment by local	Tax monitoring and collection do not reach all swiftlet	The state is not equally present in supervising all taxpayers, resulting in	Perceived discrimination and declining policy



Equity Dimension	Empirical Conditions	Evaluative Analysis	Policy Implications
government	entrepreneurs and are conducted incidentally	uneven policy intervention	legitimacy
Enforcement of administrative sanctions	Sanctions for non-compliance or late payment are rarely applied consistently	Weak law enforcement widens disparities in taxpayer treatment	Sanctions lose their deterrent effect and fail to function as an instrument of equity
Accessibility and reach of the tax system	Not all swiftlet entrepreneurs fully understand tax reporting and calculation procedures	Information and capacity gaps cause certain taxpayers to bear a heavier burden	Requires more equitable assistance and guidance mechanisms
Distribution of benefits from Local Own-Source Revenue (PAD)	The contribution of swiftlet tax to PAD remains low, limiting visible development benefits	Unequal benefit distribution because tax revenues have not generated tangible public outcomes	Reduces public support for the swiftlet tax policy
Taxpayers' perception of fairness	Compliant taxpayers feel disadvantaged compared to non-compliant ones	Perceived injustice reinforces resistance toward the policy	Risks creating a structural cycle of non-compliance
Consistency between regulation and field implementation	Regulations exist formally, but implementation is inconsistent	Equity is normative rather than substantive	The policy risks becoming merely a symbolic policy

Source: Interview and FGD Data (compiled by the researcher)

The equity evaluation table of the Swiftlet Nest Tax policy shows that the distribution of policy burdens and benefits has not been carried out fairly. The tax burden tends to be disproportionate, as compliant entrepreneurs bear higher obligations, while non-compliant entrepreneurs relatively escape supervision and enforcement of sanctions. Moreover, oversight



and treatment by the local government are uneven, creating a perception of unfairness among taxpayers. The low contribution of swiftlet tax to Regional Own-Source Revenue (PAD) also means that the benefits of the policy have not been widely felt by the community.

From William N. Dunn's policy evaluation perspective, equity is not interpreted as equal distribution but as a proportional and fair allocation of burdens and benefits according to the capacity and impact of the policy on the target groups (Dunn, 2003). The findings in the table indicate an equity failure due to weak supervision and enforcement, resulting in horizontal disparities among swiftlet entrepreneurs. This condition has the potential to reduce compliance and weaken the legitimacy of regional tax policies, as also emphasized by previous studies highlighting the importance of supervision and fair treatment in improving tax compliance (Rahmawati, 2020; Sukmana, 2021; Ardiani, 2022).

Evaluation of Policy Responsiveness in Tax Policy

In William N. Dunn's policy evaluation theory, responsiveness is understood as the ability of public policy to address the needs, complaints, and preferences of target groups in a tangible way, not merely through administrative activities (Dunn, 2003). Responsiveness encompasses the government's capacity to identify key issues, formulate relevant responses, and adjust policy instruments based on feedback from the field. In the context of the swiftlet nest tax, responsiveness is measured by how the local government responds to low compliance, technical issues faced by entrepreneurs, the demand for certain and accessible services, and the requirement for fair and consistent oversight.

Empirical findings indicate that the local government's response to the swiftlet nest tax policy is still dominated by administrative actions, such as socialization and coordination across local agencies, but has not evolved into responses that significantly change taxpayer behavior. While the government has identified main obstacles particularly the difficulty in verifying production and selling prices of swiftlet nests and reliance on self-assessment mechanisms—these insights have not been followed by structural policy adjustments, such as strengthening supervision systems, validating data, or designing risk-based instruments. Consequently, the policy is considered insufficiently responsive to the root problems (Dunn, 2003). Both theoretically and empirically, this condition confirms that the responsiveness of the swiftlet nest tax policy in Hulu Sungai Utara Regency remains procedural rather than adaptive. This aligns with Rahmawati (2020) and Sukmana (2021), who show that persuasive approaches without strong oversight are insufficient to promote compliance, and supports Ardiani (2022), who emphasizes the importance



of trust and partnership in local tax policies. Therefore, policy responsiveness needs to focus on the government's ability to make continuous adjustments to policy instruments, ensuring that feedback from the field is genuinely translated into substantive policy changes, as emphasized in Dunn's evaluation framework (2003).

Table 4. Policy Responsiveness Evaluation Analysis

Responsiveness Dimension	Evaluation Focus	Field Findings (Interviews & Observations)	Evaluative Assessment
Response to compliance issues	Policy capacity to address low reporting and tax payment compliance	The local government conducts socialization and appeals, but taxpayer compliance remains low	Responsiveness is largely administrative and has not led to meaningful behavioral change
Response to structural barriers	Policy adjustment to difficulties in verifying production and sales value	Barriers are acknowledged by the government, but not followed by strong supervisory instruments	Limited responsiveness due to the absence of substantive policy adaptation
Response to service needs	Provision of convenience, certainty, and information for taxpayers	Administrative services are available but have not improved compliance or trust	Responsiveness remains procedural rather than outcome-oriented
Response to fairness perceptions	Government response to complaints regarding unequal treatment	Compliant taxpayers feel more burdened, while non-compliant actors are rarely sanctioned	Low responsiveness due to the lack of equal treatment and consistent enforcement
Response in policy enforcement	Timeliness and effectiveness of sanctions for violations	Administrative sanctions are rarely and inconsistently applied	Weak responsiveness, reducing the deterrent effect of the policy
Feedback-	Use of evaluation	Evaluations are	Weak policy learning and



Responsiveness Dimension	Evaluation Focus	Field Findings (Interviews & Observations)	Evaluative Assessment
based response	results and complaints as a basis for policy improvement	conducted but not translated into policy adjustments	limited institutional responsiveness
Institutional response capacity	Institutional ability to adapt to the characteristics of the swiftlet industry	Management relies on general local tax approaches	Insufficient adaptation to a semi-informal and closed economic sector
Impact of policy response	Observable changes following government responses	Procedures operate, but compliance and local revenue do not improve significantly	Responsiveness fails to produce substantive policy outcomes

Source: Interview and FGD Data (compiled by the researcher)

The table shows that the responsiveness of the swiftlet nest tax policy in Hulu Sungai Utara Regency remains limited and predominantly administrative in nature. Although the local government has responded to low taxpayer compliance through socialization, coordination, and service provision, these responses have not resulted in significant behavioral change or increased compliance. Structural obstacles—particularly the difficulty of verifying production volumes and sales values—are recognized by policymakers but have not been followed by adaptive supervisory instruments. As a result, perceptions of unfairness persist, especially among compliant taxpayers who feel more burdened than non-compliant actors, while inconsistent enforcement and weak use of feedback further constrain the policy's ability to improve local revenue outcomes.

These findings are consistent with William N. Dunn's evaluation framework, which emphasizes that policy responsiveness should extend beyond procedural actions to include adaptive learning and substantive adjustment of policy instruments based on stakeholder feedback and empirical problems (Dunn, 2003). In the case of the swiftlet nest tax, government responses largely remain at the level of communication and administration, rather than institutional adaptation capable of addressing core issues such as verification, fairness, and enforcement. This pattern supports previous studies showing that persuasive approaches and socialization alone are insufficient to improve compliance in semi-informal sectors without strong

supervision and policy learning mechanisms (Rahmawati, 2020; Sukmana, 2021). Consequently, the limited responsiveness observed reinforces the argument that enhancing responsiveness requires structural reforms in monitoring and evaluation, not merely increased administrative activity (Ardiani, 2022).

Evaluation of Appropriateness (Accuracy)

The concept of appropriateness (or accuracy) in policy evaluation, according to William N. Dunn (2003), emphasizes how well a policy's objectives, instruments, and mechanisms align with the characteristics of the public problem, socio-economic context, and field conditions where the policy is implemented. In the case of the swiftlet nest tax policy in Hulu Sungai Utara Regency, appropriateness covers the alignment of the tax policy design with the nature of the swiftlet business, the suitability of collection and supervision instruments, and the compatibility of tax assessment mechanisms with real economic practices in the sector. Evaluating appropriateness is critical because the swiftlet industry is closed, fluctuating, and difficult to monitor, requiring adaptive and context-sensitive policy instruments.

Empirical findings indicate that while the fiscal goal of increasing local revenue is normatively appropriate, the instruments used, such as self-assessment without verification, are not suitable for the characteristics of the swiftlet sector. Data on production volume and sale values are often inaccurate, and oversight mechanisms fail to cover crucial phases such as harvesting and distribution. These limitations highlight that the policy's instruments do not reflect the sector's reality, causing inaccuracies in tax imposition and weakening overall policy effectiveness (Dunn, 2003; Sukmana, 2021; Rahmawati, 2020). Therefore, policy appropriateness cannot be considered solely in normative terms; it must involve the ability to adjust instruments to sector-specific conditions.

In comparison with previous studies, these findings align with Sukmana (2021) and Rahmawati (2020), who noted that improper oversight instruments lead to low tax collection. Ardiani (2022) emphasized the importance of designing policies in accordance with sector characteristics. Unlike research that focuses on technical adjustments like digital reporting, this study argues that appropriateness must address core instruments, including tax bases, verification mechanisms, and risk-based supervision systems. Hence, improving the swiftlet nest tax policy should prioritize enhancing the accuracy and alignment of policy instruments rather than merely expanding regulations or increasing administrative efforts.



Table 5. Analisis Appropriateness

Dimension of Appropriateness	Field Findings (Interviews & Observations)	Evaluative Assessment	Implications
Alignment of Policy Objectives	Fiscal goal of increasing PAD is clear, but instruments do not support sector characteristics	Inappropriate	Objectives are normative; implementation tools do not match real sector needs (Dunn, 2003)
Tax Collection Instruments	Self-assessment mechanism relies entirely on taxpayer reporting without verification	Inaccurate	High risk of misreporting; lacks structural oversight
Tax Base Accuracy	Production and sale value data are often inaccurate	Inaccurate	Leads to unfair or miscalculated tax imposition
Supervision Mechanisms	Oversight does not cover critical points: harvest, distribution, sales transactions	Inaccurate	Monitoring gaps reduce policy effectiveness; potential for tax leakage
Suitability for Sector Characteristics	Policy is generic; sector is closed, fluctuating, and semi-informal	Inappropriate	Generic instruments cannot capture dynamic realities of the swiftlet business
Adaptability & Feedback	Minimal policy adjustment based on field feedback; evaluation not translated into policy revision	Poor responsiveness	Highlights need for adaptive instruments and iterative policy design

Source: Interview and FGD Data (compiled by the researcher)

The analysis presented in the table indicates that the swiftlet nest tax policy in Hulu Sungai Utara Regency demonstrates low appropriateness/accuracy. Although the fiscal objective of increasing local revenue (PAD) is clear and normatively relevant, the tax collection instruments, such as the self-assessment mechanism, lack field verification, resulting in frequently inaccurate data on production and selling prices. The monitoring mechanisms also fail to target critical stages, such as harvest times and sales transactions, while the policy itself is generic and not adapted to the characteristics of the closed, fluctuating, and semi-informal swiftlet sector. This condition



shows that the policy instruments do not reflect the real economic conditions, limiting the potential for maximizing tax revenue (Dunn, 2003; Sukmana, 2021; Rahmawati, 2020; Ardiani, 2022).

From Dunn's evaluation perspective, this inaccuracy in policy instruments reinforces overall policy failure, as the effectiveness, efficiency, adequacy, equity, and responsiveness of the policy heavily depend on the alignment of instruments with field realities. Therefore, improvements to the swiftlet tax policy must start with a reorientation of collection instruments and monitoring mechanisms that are adaptive and data-driven, rather than merely normative adjustments or enhanced socialization. With appropriately designed instruments, the policy can more accurately measure and collect taxes according to the sector's potential while simultaneously increasing taxpayer trust and compliance (Dunn, 2003; Ardiani, 2022).

Evaluation of Swiftlet Nest Tax Policy in Hulu Sungai Utara Regency

Based on the evaluation of the Swiftlet Nest Tax Policy in Hulu Sungai Utara Regency, referring to Regional Regulation (Perda) No. 33 of 2011 concerning the Swiftlet Nest Tax and Regional Regulation No. 6 of 2021 on Regional Taxes, particularly Article 47 Paragraph 1, and applying William N. Dunn's six policy evaluation criteria effectiveness, efficiency, adequacy, equity, responsiveness, and appropriateness it can be concluded that the policy has not yet achieved its primary goal of optimally increasing the Local Own-Source Revenue (PAD). The evaluation indicates a comprehensive policy failure, where each dimension highlights different but interconnected challenges.

In terms of effectiveness, the policy has not significantly increased the contribution of the swiftlet nest tax to PAD, despite the relatively large economic potential of this sector. Low taxpayer compliance and weak monitoring are the main factors hindering goal achievement. From an efficiency perspective, the allocation of human resources and administrative costs does not correspond to the tax revenue collected, making the policy substantively inefficient. Regarding adequacy, the existing policy instruments are insufficient to address the core problems of low PAD and taxpayer compliance, as they have yet to close tax leakage and reach the real economic practices of the swiftlet sector.

In the dimension of equity, the policy does not ensure fair treatment among swiftlet nest entrepreneurs; compliant taxpayers bear a higher tax burden compared to non-compliant ones due to uneven monitoring. In terms of responsiveness, the local government has carried out administrative responses such as policy socialization and inter-agency coordination, but these



actions have not yet evolved into adaptive policy adjustments addressing key field obstacles. Meanwhile, in the appropriateness dimension, the tax instruments remain misaligned with the characteristics of the sector, which is closed, volatile, and difficult to supervise, resulting in unreliable tax collection accuracy.

Overall, the evaluation table reflects a comprehensive policy failure: each dimension demonstrates specific weaknesses, ranging from low tax revenue, inefficient resource use, inadequate policy instruments, inequitable burden distribution, limited responsiveness to taxpayer needs, to inappropriate collection and supervision mechanisms. The evaluation confirms that the problems of the swiftlet nest tax policy do not stem from a lack of regulation but from the misalignment between policy design and implementation with field realities. Therefore, policy improvements should focus on reorienting policy instruments, strengthening governance and supervision, enhancing fairness and responsiveness, and integrating continuous policy evaluation as a foundation for learning and future policy formulation (Dunn, 2003; Rahmawati, 2020; Sukmana, 2021; Ardiani, 2022; Fitriani, 2023).

Table 6. Operational Model Development

Component	Description	Purpose	Theoretical Basis
Theoretical Basis of the Model	Integration of three frameworks: 1) Dunn's Policy Evaluation, 2) Edward III's Policy Implementation, 3) Principles of Good Governance	Forms a model that is normative, operational, and contextual	Dunn (2003), Edward III (1980), Good Governance Principles
Strengthening Data & Production Validation	Data collection of swiftlet buildings, owners, locations, and production estimates; coordination with local government units and licensing data	Ensures accurate tax data to support verification and supervision	Dunn (adequacy, accuracy), Edward III (resources, communication)
Reformulation of Tax Collection Instruments	Adjustment of tax bases, regional reference pricing, administrative and factual verification	Improves policy accuracy, adequacy, and fairness	Dunn (accuracy, adequacy), Good Governance (fairness, transparency)
Risk-Based Supervision	Focus on high-potential taxpayers, low-compliance areas, critical	Increases efficiency and	Edward III (disposition,

Component	Description	Purpose	Theoretical Basis
	production and transaction phases	closes tax evasion gaps	bureaucratic structure), Dunn (efficiency)
Strengthening Compliance & Policy Fairness	Simplified tax services, consistent sanctions, non-fiscal rewards for compliant taxpayers	Builds trust and ensures sustainable compliance	Dunn (equity, responsiveness), Good Governance (accountability, fairness)
Policy Evaluation as Policy Learning	Periodic evaluation using Dunn's six criteria, involving stakeholders	Makes policy adaptive, sustainable, and evidence-based	Dunn (policy learning, responsiveness), Good Governance (participation, transparency)

Source: FGD Data Analisis (compiled by the researcher)

This table presents a model combining conceptual and operational aspects: from strengthening data to continuous policy evaluation. Each stage is interrelated to ensure the swiftlet tax policy is not only normative but also effective, efficient, fair, responsive, appropriate, and adaptive to the real conditions of the swiftlet sector. The integration of Dunn's evaluation theory, Edward III's implementation theory, and Good Governance principles provides a framework supporting successful implementation and sustainable regional revenue enhancement. The conceptual and operational model for optimizing the swiftlet nest tax policy in Hulu Sungai Utara Regency integrates six interrelated components, each designed to address specific challenges in the sector. Strengthening data and validating production ensures accurate and reliable information on swiftlet buildings, owners, and production volumes, forming the basis for evidence-based tax administration. Reformulating tax collection instruments aligns tax bases with the sector's characteristics, improving accuracy and adequacy, while risk-based supervision targets high-potential taxpayers and critical stages of production and transaction to enhance efficiency and reduce leakage. Strengthening compliance and policy fairness through simplified services, consistent sanctions, and non-fiscal rewards builds trust and ensures equitable treatment, fostering sustainable compliance. Finally, periodic policy evaluation as a cycle of policy



learning allows adjustments based on performance and stakeholder feedback, making the policy adaptive, responsive, and sustainable. This model reflects a comprehensive integration of Dunn's policy evaluation theory, Edward III's implementation theory, and Good Governance principles, ensuring that normative frameworks are operationalized in a contextual and effective manner.

The key findings of this study indicate that the swiftlet nest tax policy in Hulu Sungai Utara Regency has not achieved its intended objectives of significantly increasing regional revenue. Across all six dimensions of Dunn's policy evaluation framework, the policy demonstrates structural shortcomings: low taxpayer compliance, insufficient supervision, inadequate policy instruments, and unequal treatment among taxpayers. While normative regulations exist, they fail to align with the semi-formal and fluctuating nature of the swiftlet sector, limiting both the accuracy of tax collection and the equitable distribution of policy benefits. Moreover, government responses have been largely administrative rather than adaptive, resulting in limited behavioral change among taxpayers. Collectively, these findings reveal a comprehensive policy failure, emphasizing the need for instrument reorientation, stronger governance, and systematic evaluation to enhance effectiveness, fairness, and responsiveness.

The theoretical implications of this study suggest that William N. Dunn's six-dimensional policy evaluation framework effectiveness, efficiency, adequacy, equity, responsiveness, and appropriateness remains highly relevant for assessing policies in semi-formal and resource-based economic sectors, such as the swiftlet nest industry. The findings highlight that policy success is not solely determined by normative regulations or administrative procedures but critically depends on the alignment of policy instruments with the real-world characteristics of the target sector, effective monitoring, and adaptive responsiveness to stakeholder behavior. This study extends Dunn's framework by demonstrating that in sectors with limited transparency and high economic variability, traditional policy instruments must be complemented with context-sensitive mechanisms for supervision, verification, and feedback to achieve intended outcomes. Furthermore, it underscores that comprehensive evaluation across all six dimensions is essential to identify structural policy failures, informing theory-driven policy learning and future formulation (Dunn, 2003; Ardiani, 2022; Rahmawati, 2020; Sukmana, 2021).

CONCLUSION AND RECOMMENDATIONS

Based on the results of the study and discussion on the evaluation of the swiftlet nest tax policy in Hulu Sungai Utara Regency, it can be concluded that the policy has not been able to achieve its objectives optimally. The evaluation using William N. Dunn's six policy criteria indicates



a comprehensive policy failure encompassing effectiveness, efficiency, adequacy, equity, responsiveness, and appropriateness. The policy has not significantly increased the contribution of swiftlet nest tax to local revenue (PAD), despite the sector's high economic potential. Key obstacles include low taxpayer compliance, weak monitoring of production and transactions, and inadequacies in policy instruments that fail to reflect real economic conditions. Furthermore, uneven enforcement and limited adaptive responses have prevented the policy from ensuring fairness, accuracy, and sustainability. Overall, the failure is not due to a lack of regulation or economic potential but stems from the misalignment between policy design and field realities, as well as the absence of effective policy evaluation as a mechanism for policy learning.

The study further identifies that structural and institutional improvements are essential for policy optimization. Key hindering factors include limited human resources and monitoring capacity, insufficient data collection and verification systems, and voluntary compliance unsupported by effective incentives and sanctions. Supporting factors, such as clear legal foundations, the economic potential of the swiftlet sector, and cooperative taxpayers, are present but underutilized due to weak implementation capacity. Consequently, sustainable enhancement of PAD through swiftlet nest taxation requires an integrated, adaptive, and learning-oriented policy model. This model emphasizes strengthening data and production validation, reformulating tax instruments, implementing risk-based supervision, ensuring fairness and compliance, and institutionalizing continuous policy evaluation. By balancing service provision, incentives, and consistent enforcement, the model fosters structural compliance and legitimacy while enabling iterative improvements based on field feedback, thus supporting equitable, effective, and sustainable local revenue growth.

Based on the findings, it is recommended that the local government reorient the swiftlet nest tax policy from a conventional administrative approach toward a data- and risk-based governance model. This includes developing an integrated tax database covering tax objects, owners, locations, and estimated production to ensure a more accurate tax base, establishing transparent and periodic regional reference prices for swiftlet nests, and focusing supervision and enforcement on critical production and transaction phases with consistent and proportional sanctions. Additionally, policy evaluation should be institutionalized as a regular policy-learning mechanism to adjust strategies in line with sector dynamics. For future research, scholars are encouraged to adopt a mixed-methods approach combining qualitative evaluation with quantitative analysis of local tax revenue, expand the study to other specific regional tax sectors to test the applicability of the proposed policy model, and examine the supply chain and



distribution networks of swiftlet nests to design more precise fiscal instruments.

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