

## ANALYSIS OF ESG DISCLOSURE LEVELS IN INDONESIAN STATE-OWNED CONSTRUCTION ENTERPRISES: A COMPARISON BEFORE AND AFTER THE IMPLEMENTATION OF POJK 51/2017

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Received : 29 October 2025	Published : 28 December 2025
Revised : 20 November 2025	DOI : <a href="https://doi.org/10.54443/morfai.v6i2.4441">https://doi.org/10.54443/morfai.v6i2.4441</a>
Accepted : 15 December 2025	Publish Link : <a href="https://radjapublika.com/index.php/MORFAI/article/view/4441">https://radjapublika.com/index.php/MORFAI/article/view/4441</a>

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### Abstract

Disclosure of Environmental, Social, and Governance (ESG) has increasingly gained attention in modern business practices, particularly for construction companies that have significant social and environmental impacts. In Indonesia, the issuance of POJK 51/2017 by the Financial Services Authority marked an important milestone in requiring public companies, including state-owned construction enterprises (BUMN Karya), to prepare sustainability reports. This study aims to analyze the comparison of ESG disclosure levels before and after the regulation in four BUMN Karya, namely WIKA, ADHI, PTPP, and WSKT. The methodology employed is content analysis of annual reports and sustainability reports for the 2015–2023 period, using 22 ESG indicators covering environmental, social, and governance aspects. The findings reveal a significant increase after the regulation, where ESG scores that initially averaged 5–7 in the 2015–2017 period surged to more than 19 in 2018–2023, with all companies achieving full scores since 2021. The discussion highlights the crucial role of regulation in driving transparency, with the most substantial improvement observed in the environmental aspect, which had previously been neglected. In conclusion, POJK 51/2017 proved effective in strengthening sustainability practices, although variations remain among companies in terms of the speed of achieving disclosure standards.

**Keywords:** *ESG, State-Owned Construction Enterprises, POJK 51/2017, Sustainability Report, Disclosure.*

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### INTRODUCTION

The development of modern business practices requires companies to not only focus on financial performance but also to consider aspects of sustainability (Farhana & Adelina, 2019). The concept of Environmental, Social, and Governance (ESG) has emerged as a global standard for evaluating corporate responsibility in relation to environmental impact, social contribution, and governance practices (Lestari et al., 2025). ESG is not merely an indicator of corporate reputation; it also serves as a benchmark for long-term sustainable performance (Muslih & Rostyawan, 2025). Increasingly, investors and stakeholders are incorporating ESG considerations into their investment decision-making processes, thereby elevating the importance of ESG disclosure across various sectors, including state-owned construction enterprises (BUMN Karya) in Indonesia. In the Indonesian context, sustainability issues have gained greater attention in line with rising public awareness of the social and environmental impacts of business activities (Nur, 2023). Construction companies classified as BUMN Karya play a critical role in national infrastructure development, and their operations inevitably exert a significant influence on both the environment and society (Pambudi et al., 2025). Consequently, accountability through ESG reporting becomes an imperative that cannot be overlooked (Salsabilla & Bhayangkara, 2025). ESG disclosure reflects the extent to which a company fulfills its environmental and social responsibilities. Accordingly, ESG transparency serves as a crucial indicator in assessing the credibility and legitimacy of BUMN Karya. State-Owned Construction Enterprises (commonly referred to as BUMN Karya) exhibit distinct characteristics compared to private companies, as they operate under a national mandate to support infrastructure development and contribute to broader national objectives (Riananda & Fasa, 2025). In executing large-scale projects such as the construction of toll roads, bridges, dams, and other public infrastructure these enterprises frequently encounter environmental and social challenges (Mukhry, 2024). The integration of Environmental, Social, and Governance (ESG) principles is therefore expected to mitigate the negative impacts associated with such projects (Nasution et al., 2024). Moreover, sound corporate governance is essential to ensure that company operations align with principles of transparency and accountability. These factors underscore

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the growing relevance of ESG reporting for BUMN Karya. Government regulations play a crucial role in encouraging companies to disclose ESG-related information in a consistent manner (Triyani & Siswanti, 2024). Prior to the introduction of specific regulations, ESG reporting in Indonesia was largely voluntary and lacked standardized guidelines (Andika et al., 2021). This led to varying levels of disclosure across companies, making cross-company comparisons difficult (Triwacananingrum & Limpele, 2022). While some firms had already adopted sustainable reporting practices, others had not prioritized such disclosures. This situation highlights the necessity of regulatory frameworks aimed at enhancing the uniformity and quality of ESG disclosures. The Financial Services Authority (Otoritas Jasa Keuangan, OJK) responded to this need by issuing Regulation No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance (Syahputra & Musafa, 2024). This regulation mandates financial service institutions, issuers, and publicly listed companies, including state-owned construction enterprises (BUMN Karya), to prepare sustainability reports (Kurniasari et al., 2023). The regulation aims to ensure greater transparency in disclosing environmental, social, and governance (ESG) performance (Pratomo et al., 2024). The mandatory nature of the regulation is expected to foster more structured and measurable ESG reporting practices. Furthermore, its implementation marks a significant milestone in advancing sustainable corporate governance in Indonesia.

Since the enactment of POJK 51/2017, BUMN Karya entities have been required to enhance the quality of their ESG disclosures (Erlangga et al., 2025). This requirement extends beyond mere legal compliance; it also functions as a strategic approach to building public trust and attracting investors (Ahyadina et al., 2025). Improved ESG disclosure contributes to a stronger corporate image and helps mitigate reputational risks (Hasanah & Hastuti, 2025). For the government, the extent to which BUMN Karya complies with the regulation serves as an indicator of the effectiveness of sustainable development principles in practice. Consequently, post-regulatory ESG disclosure has emerged as a critical metric for assessing BUMN Karya's commitment to sustainability. However, the level of ESG disclosure among Indonesian state-owned construction enterprises (BUMN Karya) remains inconsistent, posing unique challenges (Wibowo et al., 2024). While some firms have demonstrated significant improvements following the implementation of relevant regulations, others continue to encounter obstacles in reporting practices (Irfani & Sudrajad, 2023). These disparities may stem from variations in internal capacity, corporate strategy, or managerial perceptions regarding the importance of ESG (Alfarizi, 2025). Moreover, ESG disclosure standards in Indonesia are still in a developmental stage and have yet to align fully with international benchmarks. This situation underscores the critical need for further examination of ESG disclosure practices within BUMN Karya.

Research by Muslih and Rostyawan (2025) indicates that the application of ESG principles among publicly listed companies in Indonesia remains heterogeneous, particularly with respect to the environmental dimension, which tends to lag behind social and governance aspects. Meanwhile, findings by Nasution et al. (2024) reveal that the mandatory sustainability reporting requirement introduced by POJK 51/2017 has contributed to greater transparency, although the quality of disclosure across companies remains uneven. A study by Andika et al. (2021) further suggests that state-owned enterprises generally exhibit higher levels of ESG disclosure compared to private companies, driven largely by regulatory compliance pressures and heightened public expectations. Conversely, Riananda and Fasa (2025) emphasize that despite improvements in disclosure following the enactment of POJK 51/2017, significant gaps persist, particularly in the depth and detail of information disclosed in relation to environmental indicators. Although numerous prior studies have examined ESG disclosure in Indonesia, there remains a significant limitation in comparing conditions before and after the implementation of Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017. Most of the existing literature has focused predominantly on the level of disclosure following the enactment of the regulation, without offering a comprehensive overview of the changes that have occurred. Furthermore, specific investigations into state-owned construction enterprises (BUMN Karya) are still relatively scarce, despite the unique characteristics and strategic roles these entities play in national development. This gap underscores the importance of conducting research that compares ESG disclosure practices before and after the introduction of the regulation.

In light of this research gap, the present study aims to analyze the level of ESG disclosure among BUMN Karya in Indonesia by comparing conditions prior to and following the implementation of POJK 51/2017. This analysis is expected to provide empirical insight into the regulation's effectiveness in promoting corporate transparency and accountability. The contribution of this study extends beyond the academic discourse on sustainability accounting; it also offers practical implications for regulators, investors, and BUMN Karya management in enhancing ESG disclosure quality. Thus, this research contributes to the advancement of sustainable business practices in Indonesia.

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## METHOD

This study employs a quantitative approach using content analysis to assess the level of ESG disclosure among state-owned construction enterprises (BUMN Karya) in Indonesia. Content analysis is selected due to its ability to systematically measure the extent to which information related to environmental, social, and governance (ESG) aspects is disclosed in companies' annual reports and sustainability reports. The unit of analysis in this study comprises four state-owned construction enterprises, namely: PT Wijaya Karya Tbk (WIKA), PT Adhi Karya Tbk (ADHI), PT Pembangunan Perumahan Tbk (PTPP), and PT Waskita Karya Tbk (WSKT). The study period is divided into two distinct timeframes to compare conditions before and after the implementation of Financial Services Authority Regulation (POJK) No. 51/2017. The pre-regulation period covers the years 2015–2017, while the post-regulation period spans 2018–2023. This temporal division aims to observe differences in ESG disclosure levels resulting from the mandatory implementation of sustainability reporting. Through this comparison, the study seeks to evaluate the effectiveness of the regulation in enhancing corporate transparency and accountability.

The research instrument was developed based on 20 ESG disclosure indicators, comprising 8 environmental, 7 social, and 5 governance indicators. Each indicator is assessed dichotomously: a score of 1 is assigned if the relevant information is disclosed, and a score of 0 if not. This binary scoring method enables the calculation of each company's total ESG disclosure score for each year of observation. The data were collected from the official annual reports and sustainability reports published by the respective companies on their corporate websites or through the Indonesia Stock Exchange (IDX). All documents analyzed are official public publications, thereby ensuring data reliability. The data collection process involved systematically reviewing each report to identify the presence or absence of disclosure for each ESG indicator, and recording the findings according to the established instrument. This method ensures that the collected data are measurable and comparable across time periods and across companies. Data analysis was conducted by calculating the ESG disclosure index, expressed as the proportion of disclosed indicators to the total number of indicators, and presented as a percentage. This calculation was performed for each company annually. Subsequently, a comparative analysis was conducted between the pre- and post-regulation periods (i.e., before and after POJK 51/2017) to determine whether there was an increase or decrease in ESG disclosure levels. The findings are expected to provide a comprehensive picture of the extent to which regulatory interventions have influenced BUMN Karya in improving the transparency of their sustainability reporting practices.

## RESULTS AND DISCUSSION

The research findings are presented in stages, beginning with a description of annual trends, followed by a comparison of average scores across periods, and concluding with an analysis of differences between companies and ESG categories, as outlined below:

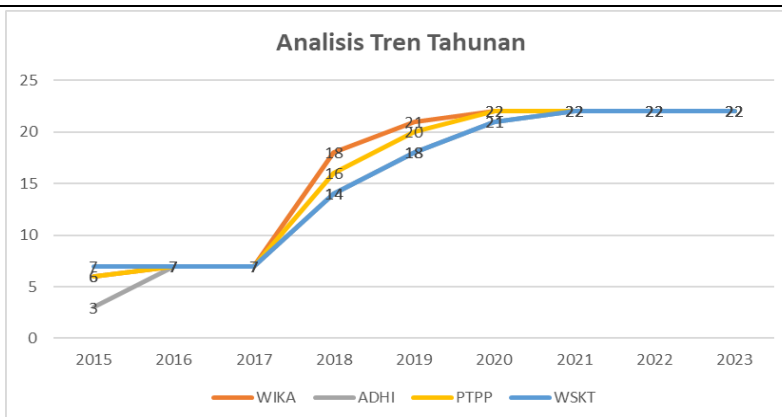
**Table 1.** General Description of Annual ESG Scores of State-Owned Construction Enterprises (2015–2023)

Year	WIKA	ADHI	PTPP	WSKT	Average
2015	6	3	6	7	5,5
2016	7	7	7	7	7
2017	7	7	7	7	7
2018	18	14	16	14	15,5
2019	21	18	20	18	19,3
2020	22	21	22	21	21,5
2021	22	22	22	22	22
2022	22	22	22	22	22
2023	22	22	22	22	22

Table 1 presents the development of total ESG disclosure scores for the four state-owned construction enterprises (BUMN Karya) over the 2015–2023 period. Prior to the issuance of Financial Services Authority Regulation (POJK) No. 51/2017, ESG scores remained relatively low, averaging only between 5.5 and 7 out of a total of 22 indicators. Following the implementation of the regulation, a substantial increase was observed in 2018, with the average score rising to 15.5, and continuing to improve until all companies achieved full scores (22) starting in 2021. This pattern suggests that the mandatory sustainability reporting requirement has significantly and consistently enhanced ESG disclosure across all BUMN Karya firms.

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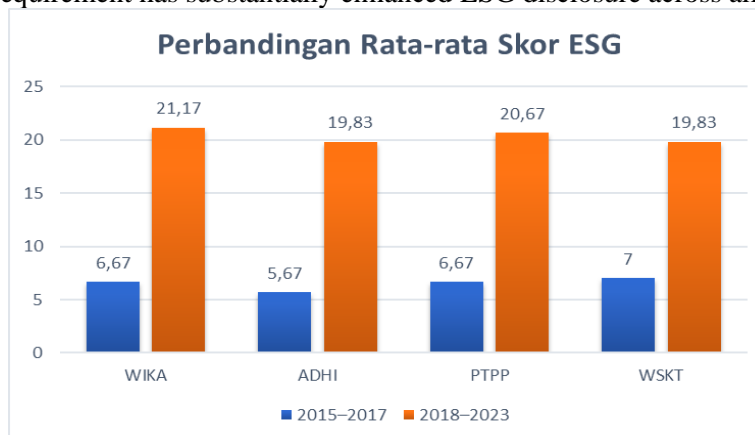
**Figure 1.** Annual ESG Score Trends of State-Owned Construction Enterprises (2015–2023)

Figure 1 illustrates the trend in ESG scores for four state-owned construction enterprises (SOEs) over the period 2015–2023. During the pre-regulatory period (prior to the issuance of Financial Services Authority Regulation [POJK] No. 51/2017), all companies exhibited low and relatively stagnant scores, averaging only 6 to 7 points. Following 2018, a significant increase is observed, particularly for WIKA and PTPP, which demonstrated more rapid progress toward higher scores compared to ADHI and WSKT. From 2020 onwards, nearly all firms approached full scores, and between 2021 and 2023, all four SOEs consistently achieved the maximum score of 22 out of 22 indicators. This pattern underscores the strong influence of regulatory frameworks in promoting ESG disclosure.

**Table 2.** Average ESG Scores Before and After the Issuance of POJK No. 51/2017

Company	2015–2017	2018–2023
WIKA	6,67	21,17
ADHI	5,67	19,83
PTPP	6,67	20,67
WSKT	7	19,83

Table 2 presents the differences in the average ESG scores of four state-owned construction enterprises (BUMN Karya) between the periods before and after the enactment of Financial Services Authority Regulation (POJK) No. 51/2017. All firms exhibited a significant increase in scores, rising from a range of 5–7 during 2015–2017 to above 19 after 2018. WIKA recorded the highest post-regulation average at 21.17, followed by PTPP at 20.67, while ADHI and WSKT reported averages around 19.83. These findings suggest that the mandatory sustainability reporting requirement has substantially enhanced ESG disclosure across all BUMN Karya.



**Figure 2.** Comparison of Average ESG Scores of State-Owned Construction Enterprises (BUMN Karya)

The figure above illustrates a significant surge in the average ESG scores across all state-owned construction enterprises (BUMN Karya) following the enactment of Financial Services Authority Regulation (POJK) No.

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51/2017. During the 2015–2017 period, the average scores remained low, ranging from 5.67 to 7.00. However, in the subsequent period of 2018–2023, the average scores increased markedly, ranging from 19.83 to 21.17. WIKA and PTPP recorded the highest improvements, while ADHI and WSKT exhibited similar upward trends, albeit at slightly lower levels. This chart underscores the pivotal role of regulation in promoting consistent ESG disclosure practices across all companies.

**Table 3.** Average ESG Scores by Category

Company	2015-2017			2018-2023		
	E	S	G	E	S	G
WIKA	0	3,67	3	7,5	6,83	6,83
ADHI	0	2,67	3	6,83	6,5	6,5
PTPP	0	3,67	3	7,5	6,5	6,67
WSKT	0	4	3	6,83	6,5	6,5

Table 3 illustrates significant changes across all ESG categories following the enactment of Financial Services Authority Regulation (POJK) No. 51/2017. Prior to the regulation, the Environmental indicators were entirely undisclosed by all four companies, the Social dimension was limited to scores ranging from 2.67 to 4.00, and Governance remained relatively consistent at a score of 3.00. Post-regulation, the Environmental category exhibited the most substantial increase, with average scores approaching the maximum range (6.83–7.50). The Social and Governance categories also showed substantial improvements, though their progression was relatively more stable, averaging above 6.50. These findings suggest that the regulation was most effective in encouraging disclosure in environmental aspects that had previously been overlooked.

When comparing companies in the post-regulation period, WIKA and PTPP emerged as top performers, achieving the highest Environmental scores of 7.50, along with consistently high Social and Governance scores nearing the maximum. ADHI and WSKT also demonstrated notable improvements; however, their average disclosure scores were slightly lower, particularly in the Social and Governance dimensions, which remained at approximately 6.50. These disparities reflect variations in sustainability strategies among state-owned construction enterprises (BUMN Karya), with WIKA and PTPP achieving more rapid alignment with ESG indicators, while ADHI and WSKT appear to require a longer timeframe to reach comparable levels of transparency.

**Table 4.** ESG Score Changes (Delta) by Company

Company	Before	After	Delta	Delta (%)
WIKA	6,67	21,17	14,5	217,39%
ADHI	5,67	19,83	14,16	249,74%
PTPP	6,67	20,67	14	209,90%
WSKT	7	19,83	12,83	183,29%

Table 4 indicates that all state-owned construction enterprises (BUMN Karya) experienced a substantial increase in ESG scores following the implementation of POJK 51/2017. ADHI recorded the highest percentage increase, at 249.74%, although in absolute terms, its improvement was comparable to those of WIKA and PTPP. WIKA demonstrated the largest absolute delta, with an increase of 14.50 points, followed by ADHI and PTPP with approximately 14 points each, while WSKT showed a slightly lower increase of 12.83 points. These findings suggest that the regulation has been effective in promoting enhanced ESG disclosure, although the rate and consistency of improvement vary across companies.

## A. Post-Regulatory Increase in ESG Disclosure

The findings of this study indicate a significant increase in the level of ESG disclosure among state-owned construction enterprises (BUMN Karya) following the enactment of Financial Services Authority Regulation No. 51/2017 (POJK 51/2017). Prior to the regulation, the companies' average ESG disclosure scores remained low, ranging from 5.67 to 7.00. However, following the implementation of the regulation, these scores surged to over 19.83. This result underscores the pivotal role of mandatory sustainability reporting as a key catalyst for enhancing corporate transparency. These findings align with those of Ahyadina et al. (2025), who assert that the adoption of POJK 51/2017 has significantly encouraged publicly listed companies in Indonesia to disclose sustainability-related information more consistently.

The observed improvement is not merely quantitative but also reflects greater consistency across firms. Since 2021, all four BUMN Karya entities have achieved the maximum disclosure score, indicating that the regulation has successfully standardized ESG reporting practices, which were previously inconsistent. This standardization is crucial in establishing a fair basis for comparison among companies operating within the same industry. Consistent with this, Andika et al. (2021) found that state-owned enterprises tend to exhibit higher regulatory compliance than their private-sector counterparts, thus ensuring more reliable non-financial disclosures in the presence of formal obligations. In terms of disclosure categories, the Environmental aspect experienced the most substantial improvement, with an increase from zero disclosure prior to regulation to an average score exceeding 6.80 after 2018. This suggests a noticeable shift in the construction sector's attention toward environmental issues, which were previously neglected. The increase supports the findings of Farhana and Adelina (2019), who argue that regulatory frameworks and external pressures play a critical role in encouraging Indonesian companies to improve their environmental disclosures. Accordingly, the regulation appears to have addressed longstanding weaknesses in the environmental dimension of ESG reporting.

From a regulatory effectiveness perspective, the post-regulation increase in ESG scores also supports the findings of Irfani and Sudrajad (2023), who emphasize that government policy can improve both the quality and quantity of sustainability-related information disclosed by firms. However, variations remain across companies, with WIKA and PTPP achieving full scores more rapidly than ADHI and WSKT. This disparity indicates that, beyond regulation, internal factors such as corporate strategy, managerial commitment, and reporting capacity also influence the level of ESG disclosure. In other words, while regulation provides an essential foundation, its full implementation ultimately depends on each company's readiness and internal alignment.

### **B. Comparison Across ESG Categories**

Category-based analysis reveals that the Environmental aspect experienced the most significant improvement compared to the Social and Governance dimensions. Prior to the implementation of the regulation, none of the state-owned construction enterprises disclosed any information related to environmental indicators. However, following the enactment of POJK 51/2017, the Environmental scores increased substantially, approaching the maximum range (6.83–7.50). This surge demonstrates that the regulation effectively addressed disclosure gaps in environmental issues that had previously been neglected. This finding aligns with Lestari et al. (2025), who emphasize that external regulation serves as a dominant factor in encouraging firms to enhance transparency on environmental matters. In the Social aspect, disclosure was relatively more stable, as many companies had already reported on several social indicators prior to the regulation, with average scores ranging from 2.67 to 4.00. After the regulation came into force, scores improved to the range of 6.50–6.83, indicating a refinement in reporting practices, although the increase was not as dramatic as that observed in the Environmental aspect. This pattern suggests that firms found it easier to adapt to disclosures related to labor, occupational safety, and social responsibility, given that these indicators were already more familiar in prior reporting practices. This observation is consistent with Muslih and Rostyawan (2025), who argue that social dimensions are often prioritized in the reporting of state-owned enterprises due to their direct relevance to a company's social legitimacy within society.

As for the Governance aspect, the scores were relatively stable compared to the other two categories. In the pre-regulation period, all companies consistently recorded scores on 3 out of 7 governance indicators. Post-regulation, these scores increased to an average of 6.50–6.83. This improvement reflects the regulation's role in reinforcing corporate governance, particularly in areas such as transparency, audit committees, and anti-corruption policies. Supporting this, Nur (2023) highlights that mandatory sustainability reporting strengthens governance practices through the disclosure of management structures and internal oversight mechanisms. Thus, the regulation has accelerated progress toward more accountable corporate governance. The observed differences in the magnitude of improvement across ESG categories suggest that the regulation was most effective in enhancing environmental disclosure, moderately effective in governance, and relatively less so in the social dimension. These results imply that the dimension previously characterized by the weakest disclosure saw the most substantial gains, while dimensions with more established practices improved at a more incremental pace. This is consistent with Pratomo et al. (2024), who argue that the effectiveness of regulatory interventions in improving ESG practices depends heavily on the initial state of corporate reporting. In other words, POJK 51/2017 played a critical role in balancing ESG dimensions, particularly by addressing foundational weaknesses in environmental reporting, which is vital in the construction sector.

### **C. Inter-Firm Comparison among State-Owned Construction Enterprises**

In addition to inter-period and inter-category comparisons, this study also analyzes differences in ESG disclosure levels among state-owned construction enterprises (commonly known as BUMN Karya). The findings reveal that although all firms experienced significant improvement in ESG disclosures following regulatory changes, variations persist in the pace and consistency of these disclosures. Understanding these variations is crucial, as they reflect each firm's strategic orientation, organizational capacity, and managerial commitment to ESG implementation.

#### **1. WIKA**

WIKA demonstrated the strongest ESG performance, achieving an average post-regulation ESG disclosure score of 21.17—the highest among the observed firms. This improvement has been consistent since 2018, and notably, WIKA was among the fastest to achieve a perfect score by 2020. This outcome reflects the management's readiness to adopt sustainability reporting standards and reaffirms the firm's commitment to sustainable development. These findings align with the study by Salsabila and Bhayangkara (2025), which argues that companies with more mature reporting capacities tend to adapt more swiftly to regulatory obligations.

#### **2. ADHI**

ADHI recorded the highest percentage increase in ESG disclosure, rising by 249.74% from an average pre-regulation score of 5.67 to 19.83 post-regulation. However, compared to WIKA and PTPP, ADHI was relatively slower in reaching the maximum score. This may be attributed to the smaller scale of its projects and limited reporting resources. Consistent with the findings of Triwacaningrum and Limpele (2022), companies with smaller operational scales often face challenges in preparing comprehensive ESG reports.

#### **3. PTPP**

PTPP ranked second with an average post-regulation ESG score of 20.67. The firm exhibited a rapid acceleration in ESG disclosures beginning in 2019, eventually achieving a perfect score in 2020. This consistency suggests that PTPP has established strong governance strategies in responding to regulatory requirements. These results are in line with the study by Wibowo et al. (2024), which found that firms with more robust internal control systems are better equipped to maintain consistent ESG disclosures.

#### **4. WSKT**

WSKT showed a substantial increase in its average ESG score, from 7.00 pre-regulation to 19.83 post-regulation. However, its absolute increase was lower compared to the other firms. WSKT was also relatively slower in achieving a perfect score, only stabilizing in 2021. This may be linked to the firm's financial distress during the period, which likely shifted managerial focus towards restructuring rather than ESG reporting. This finding supports Alfarizi's (2025) research, which posits that a firm's financial condition can influence the prioritization of sustainability disclosure initiatives.

### **D. Regulatory Implications for Sustainability Practices**

The findings of this study reinforce existing evidence that regulation plays a critical role in encouraging companies to enhance their ESG disclosures. Prior to the issuance of POJK 51/2017, sustainability disclosure was voluntary, resulting in significant variation across firms. Following the implementation of the regulation, disclosures became more consistent and comprehensive, indicating the effectiveness of governmental intervention. This result aligns with the findings of Putra (2021), who argues that the presence of formal regulation can mitigate information asymmetry by compelling firms to adhere to higher transparency standards. Beyond enhancing transparency, regulation also affects corporate legitimacy in the eyes of stakeholders. The mandatory sustainability reporting requirement serves as a positive signal of a company's commitment to responsible business practices. This is consistent with the findings of Erlangga et al. (2025), who demonstrate that state-owned enterprises (SOEs) with higher regulatory compliance tend to gain greater public trust. In other words, the success of regulation is measured not only by improved ESG scores but also by its reputational impact, which strengthens relationships between corporations, society, and the government. From a governance perspective, regulation also fosters the development of stronger internal oversight mechanisms. The obligation to disclose board structure, audit committee composition, and anti-corruption policies contributes to the reinforcement of corporate governance systems. Hasanah and Hastuti (2025) confirm that sustainability reporting regulations encourage firms to enhance governance mechanisms, which in turn positively affect the quality of strategic decision-making. Thus, regulation is not merely administrative in nature but facilitates structural improvements within corporate management systems.

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The most significant implication of these findings is that regulation can effectively close the ESG disclosure gap among firms. Prior to regulation, disclosures were partial and largely shaped by managerial discretion; post-regulation, all firms are required to report in accordance with relatively uniform standards. This supports the findings of Kurniasari et al. (2023), who conclude that external regulation plays a crucial role in standardizing sustainability reporting practices in Indonesia. In this regard, POJK 51/2017 can be considered an effective instrument for strengthening the sustainability infrastructure of the national construction sector.

## CONCLUSION

This study demonstrates that the level of ESG disclosure among state-owned construction enterprises (BUMN Karya) in Indonesia has significantly improved following the implementation of Financial Services Authority Regulation (POJK) No. 51/2017. Prior to the regulation, disclosure levels were generally low and inconsistent, particularly in the environmental dimension, which was often entirely omitted. However, in the post-regulation period, all companies recorded a notable increase in ESG scores, reaching the maximum level by 2021. This improvement indicates that the regulation has played an effective role in promoting transparency, strengthening corporate governance, and enhancing sustainability practices within the construction sector. Based on these findings, it is recommended that BUMN Karya not only comply with regulatory requirements formally but also improve the quality of disclosed ESG information to ensure greater comprehensiveness and the inclusion of quantitative data. Furthermore, the government, through the Financial Services Authority (OJK), should continue to update relevant regulations to align with international standards, thereby enhancing the global competitiveness of these enterprises. Future research may consider expanding the scope by comparing BUMN Karya with private sector companies or by analyzing the relationship between ESG disclosure levels, financial performance, and corporate reputation.

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