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THE IMPACT OF THE INDONESIAN PRESIDENCY'S G20 AGENDA ON THE STOCK PRICES AND STOCK VOLUMES IN THE COAL MINING SECTOR

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Abstract

This study aims to determine the impact of the Indonesian Presidency's G20 agenda on the stock prices and stock volumes in the coal mining sector in Indonesia. The research employs a quantitative descriptive method, comparing the stock prices and stock volumes before and after the Indonesian Presidency's G20 agenda took place in Bali, Indonesia. We consider a sample of stocks from the coal mining sector that implement Environmental, Social, and Governance (ESG) principles, selected through purposive random sampling by the period from May 1, 2022, to May 31, 2023. This comparison is made using Wilcoxon signed-rank tests. The results reveal significant differences in stock prices and stock volumes before and after the Indonesian Presidency's G20 agenda. Investors received information regarding the G20 agenda of the Indonesian Presidency in Indonesia as bad news because changes in stock prices and stock volume occurred negatively or tended to decline. Given these findings, it is recommended that management invests further in initiatives to increase investor trust. Additionally, the Financial Services Authority (OJK) is advised to develop appropriate policies for capital market supervision, aligning with the objectives of the Indonesian Presidency's G20 agenda, particularly regarding the implementation of ESG principles in Indonesia.

Keywords: Environmental Social Governance, G20, Indonesia, stock price, stock volume

Introduction

Environmental, Social, and Governance (ESG)

In recent years, the Indonesian government, in collaboration with the private sector, has undertaken measures to promote sustainable financial and investment practices. These initiatives encompass the development of guidelines and regulations that advocate for sustainability reporting, such as the implementation of sustainable payment principles and green investment policies. Financial institutions, including banks and investment firms, have increasingly facilitated access to sustainable financial products. Furthermore, investors in Indonesia are beginning to recognize the potential risks and opportunities associated with environmental, social, and governance (ESG) factors in their portfolios. Aditama (2014) stated that ESG standards enable corporations to align their operations with environmental, social, and governance concepts. ESG analysis has become an integral part of investment decision-making, assisting investors in identifying risks related to climate change, social demands, and sustainable business practices. This has catalyzed investment growth in sectors supporting sustainable development objectives, such as renewable energy, green infrastructure, and environmentally friendly technologies.

Given Indonesia's abundant natural resources and substantial population, the concept of sustainability is of paramount relevance. The daily lives of Indonesians are directly intertwined with nature conservation and environmental sustainability, while sustainable economic growth is crucial for enhancing well-being and alleviating poverty. Therefore, devising new financial and investment strategies that consider sustainability aspects is essential in formulating Indonesia's long-term developmental plans.

The Indonesian government has taken progressive steps in endorsing sustainable finance and investment. Initiatives like the implementation of the Principles for Sustainable Banking by prominent banks, as well as the inception of Green Investment Policies, have been instrumental in hastening the transition toward a more sustainable economy. These measures not only encourage the private sector to integrate ESG considerations into their operations but also provide incentives for investors to allocate funds to sectors contributing to sustainable development objectives.

Despite significant progress, the challenges of implementing sustainable finance and investment in Indonesia should not be overlooked. One of the main challenges is the limited in-depth understanding of the concept and benefits of sustainable finance among business operators, regulators, and the general public. The lack of comprehensive data and information on the ESG performance of Indonesian corporations can also impede sustainable investment decisions. Moreover, enhanced integration between the public and private sectors and improved coordination is required to overcome structural barriers in promoting sustainable finance and investment.

Sustainable finance and investment play a pivotal role in Indonesia's sustainable development. Indonesia's membership in the G20 has facilitated sustainable finance access, increased sustainable investment, technology transfer, and mainstreamed sustainability issues on a global scale. In this context, this research delves deeper into the recent advancements in sustainable finance and investment in Indonesia. By analyzing the government's role, private sector initiatives, and responses from various stakeholders, this study aims to provide comprehensive insight into the potentials and challenges of actualizing a sustainable financial and investment system in Indonesia. Through a better understanding of these dynamics, Indonesia can position itself as a key player in driving inclusive, impactful, and sustainable economic growth while preserving its unique natural and cultural wealth, results of previous researches from Setiawan, S. (2021) and Ilić, B., Stojanovic, D., & Djukic, G. (2019).

G20 in Bali, Indonesia

The G20, or the Group of Twenty, is a premier global economic forum comprising 19 member countries and the European Union. This assembly offers a platform for the world's major leaders and heads of government to deliberate on pertinent global economic and financial issues. Indonesia has been a G20 member since 2008 and stands as one of the few representatives from the Southeast Asian region within this forum. Indonesia's membership in the G20 provides an avenue for the nation to enhance financial access for various economic stakeholders, especially those sectors intertwined with environmental conservation and Sustainable Development Goals (SDGs) (Kusuma, D & Raharjo, P, 2022). Further, this affiliation enhances Indonesia's image as a potential marketplace for sustainable investments, enabling the country to attract more investors from G20 members and other partner nations interested in projects with positive environmental and societal impacts (Rahman, F & Susilo, B, 2023). By actively participating in G20 meetings, Indonesia gains access to cutting-edge technology and knowledge pertaining to sustainable finance and investment. G20 member states, especially those advancing in sustainable innovation and technology, can share their experiences and insights with Indonesia to foster and implement sustainable initiatives. Such sustainable investments might encompass renewable energy sectors, eco-friendly technological infrastructure, and green initiatives. As a G20 member, Indonesia is positioned to champion sustainable financial and investment issues within a global framework. At the G20 summit in Bali on November 15 and 16, 2022, Indonesia can advocate for more inclusive and sustainable policies, encouraging the adoption of environmentally responsible business practices. By mainstreaming these sustainable issues, Indonesia can contribute to global efforts in achieving the Sustainable Development Goals.

Theory of Stock Demand and Supply

The theory of demand and supply is foundational in economics, underpinning market mechanisms and determining the price and quantity of a product or service. Within this framework, supply reflects the volume of a product or service produced by suppliers in a market, while demand illustrates the extent to which consumers are willing to pay for that product or service. When demand exceeds supply, prices typically rise, whereas when supply exceeds demand, prices tend to fall. In the context of sustainable finance and investment, this theory plays a pivotal role in understanding how market actors respond to the needs and preferences for investments focused on environmental, social, and governance (ESG) considerations.

The demand for sustainable investments in Indonesia has significantly increased in recent years. Escalating concerns about climate change and other environmental issues have elevated public awareness about the importance of sustainable and eco-friendly investments. Moreover, enhanced access to information and increased corporate transparency have led to a surge in demand from investors who are increasingly cognizant of the social and environmental ramifications of their investment portfolios.

Governmental policies are instrumental in bolstering the supply of sustainable investments in Indonesia. Significant growth in sustainable investments can be attributed to governmental incentives, corporate awareness of environmental and social issues, as well as improved capital access for sustainable projects. These steps encompass the introduction of ESG regulations, tax incentives for sustainable investments, and fostering an environment conducive for business growth in this domain. The rollout of tax benefits for enterprises practicing robust ESG standards and regulatory frameworks supporting sustainable investments is crucial to spur wider corporate participation in these activities. Companies recognizing the long-term benefits of sustainable practices are more inclined towards offering sustainable investments (Wahyudi, R & Purnomo, H, 2019). Enterprises integrating ESG considerations into their business strategies are also poised to attract investors concerned with sustainability matters.

Greater financial inclusion allows a wider range of investors to participate in these investments. The theory of stock demand and supply underscores the growing allure of sustainable investments in Indonesia. Several factors drive this trend. Firstly, the Indonesian government has championed sustainable investments through various policies and incentives. Secondly, an increasing corporate consciousness of environmental and social issues drives them towards investment opportunities contributing to sustainable development. Thirdly, improved access to capital for sustainable investments is evident through the evolution of financial markets favoring sustainable financial instruments. The theory of demand and supply elucidates the rising demand for sustainable investments in Indonesia, with factors such as government policies, corporate awareness, capital access, and financial inclusion shaping the supply of sustainable investments in the country.

Stakeholder Theory in Sustainable Investment

The Stakeholder Theory has emerged as a pertinent and influential concept across various disciplines, including sustainable finance and investment. Introduced by R. Edward Freeman in 1984, the theory offered a nuanced perspective diverging from the traditional focus, which prioritized solely the interests of shareholders. This theory posits that an array of groups or entities have stakes in an organization or project, each with the capacity to both influence and be influenced by its decisions and activities.

In the context of sustainable investment in Indonesia, the stakeholder approach gains prominence, recognizing that the impact of investments extends beyond merely shareholders or investors. It engrosses a broader spectrum, encompassing the community, environment, employees, suppliers, and the government. Firms and investors adopting this perspective must incorporate Environmental, Social, and Governance (ESG) considerations into their investment decision-making processes. This theory accentuates the importance of ESG impacts in decision-making, underscoring the government's crucial role in facilitating sustainable investment practices and formulating supporting regulations.

Environmental factors encapsulate the effects of projects or businesses on the natural environment, spanning global warming, climate change, natural resource utilization, and waste management. The involvement of stakeholders is paramount for steering sustainable investment practices within Indonesian firms, highlighting the significance of considering diverse interests in decision-making processes. Within the scope of sustainable investments in Indonesia, businesses and investors need to discern how the projects or ventures they endorse can mitigate detrimental environmental impacts while fostering eco-friendly practices.

Social factors encompass the societal implications of investments, touching upon relations with surrounding communities, human rights, employee well-being, gender equality, and corporate social responsibility. Businesses and investors should be vigilant about the societal repercussions of their projects, committing to contribute to Indonesia's sustainable and inclusive social development.

Governance factors deal with transparency, accountability, fairness, and integrity in corporate management. Firms and investors adopting the stakeholder theory should ensure their corporate governance aligns with high standards, fostering ethical practices across all operational facets.

The Stakeholder Theory reshapes investment decision-making in Indonesia, transitioning the focus from short-term traditional financial aims to more enduring sustainable objectives. Businesses and investors must consider the long-term ramifications of their investments, not restricted to financial gains but also spanning social and environmental facets. This demands a more holistic financial metric approach, inclusive of ESG-based performance measurement methods.

The role of the Indonesian government in implementing the Stakeholder Theory is pivotal. Acting as a regulator and stakeholder, the government can champion and facilitate sustainable investments. To foster a sustainable investment milieu, the government must devise supportive policies and regulations for sustainable financial and investment practices. Furthermore, it should provide incentives to firms and investors dedicated to responsible environmental and societal investments.

In summation, the Stakeholder Theory emphasizes that businesses and investors must integrate environmental, social, and governance (ESG) impacts into investment decisions. The government plays a crucial role in propelling sustainable investment practices by enforcing ESG reporting regulations and offering incentives for investments contributing to sustainable development. This places an onus on businesses and investors to consider not only short-term financial gains but also the long-term impacts on various stakeholders.

Legitimacy Theory

The Legitimacy Theory is a pivotal concept in management and organizational studies. This theory underscores how organizations endeavor to obtain and maintain legitimacy, or recognition, from their diverse stakeholders and the broader public. Within the realm of sustainable finance and investment in Indonesia, this theory refers to the efforts of companies and financial institutions to achieve legitimacy in their financial practices that champion sustainable and socially and environmentally responsible development.

In the context of sustainable finance and investment, the legitimacy theory plays an indispensable role. It aids companies and financial institutions in garnering support and approval from varied stakeholders, including the government, community, investors, and non-governmental institutions (Rahman, Ahmad, Nurul, Siti, and Chen, Maryam., 2019). By securing legitimacy, these entities can bolster public trust and fortify their stance in executing sustainable and responsible financial practices. Such organizations can publish sustainability reports, detailing their initiatives towards achieving sustainable development goals (Lim, Fatimah, and Santoso, Budi., 2018). These reports ought to encapsulate information concerning their operations' social and environmental repercussions and their adherence to international standards in sustainable financial practices. One pathway for Indonesian companies and financial institutions to procure legitimacy in sustainable finance and investment is through a commitment to internationally recognized sustainable development principles. These principles span aspects like transparency, accountability, inclusivity, human rights protection, and environmental conservation. Adopting these principles exemplifies their dedication to operate ethically and to yield a positive societal and environmental impact.

Sustainable investment in Indonesia can render a significant positive influence on the nation's development. Through sustainable ventures, companies can contribute to improved infrastructure, create employment opportunities, augment community incomes, and alleviate socio-economic disparities. Moreover, sustainable investments can also aid in curbing adverse environmental impacts, such as greenhouse gas emissions reduction, promotion of renewable energy utilization, and natural ecosystem conservation.

The legitimacy theory emphasizes that companies and financial institutions must achieve legitimacy or acknowledgment from diverse stakeholders (Bini, L., & Bellucci, M., 2020 and El-Rahman, A.,2019). By committing to sustainable investment, transparency, and tangible positive impacts, these entities cultivate enhanced trust and reputation in the eyes of the public and investors. Investor trust plays an instrumental role in shaping the sustainable financial market. Investors prioritize transparent information, both financial and sustainable performance, and a company's dedication to sustainable investment.

Investor's Trust

Investor trust is quintessential in sculpting a robust and sustainable financial market condition (Kusuma, Rina, and Wijaya, Hendra., 2017). In Indonesia, akin to many other nations, there's a paradigm shift in how investors perceive investments. Beyond mere financial gains, investors increasingly weigh the social and environmental repercussions of their investments. Sustainable investment has come to the forefront, with goals not just centered on financial returns but also contributing to sustainable development and societal empowerment.

Investors require accurate, pertinent, and transparent details about sustainable investment projects. Information regarding objectives, ESG (Environmental, Social, and Governance) criteria, and socio-environmental impacts must be readily accessible and comprehensible. Such transparency assures investors of the companies' commitment to report their environmental and social performance. Investors aspire to witness that sustainable investments not only yield financial dividends but also benefit the environment and society at large. The success of investments is gauged not solely based on financial returns, but also via sustainable performance indicators like carbon emissions reduction, energy efficiency enhancement, and positive impacts on the surrounding communities. Investors are inclined to trust companies with a profound commitment to sustainable investment. This signifies the companies' integration of ESG principles in their business strategy and not merely as a marketing gimmick. Investor trust swells when companies actively participate in sustainable initiatives.

Sustainable investments are driven by the trust investors place in a company's transparency and sustainable performance. Investors tend to favor entities that present robust financial and ESG reports. This prompts companies to consider both financial and non-financial facets in their business strategies, thereby contributing to sustainable development. Sustainable investments, particularly those that generate local employment, boost educational access, or diminish pollution, inherently possess the potential to attract investors looking for value beyond just profit (Johnson, G., et al., 2020 and Daugaard, D. 2020).

Stock Price

According to Subagyo, Fatmawati, Badrudin, Purnamawati, & Algifari (1999), stocks are among the securities typically traded in the capital market. They signify an equity participation in a limited liability company. Stocks are financial instruments denoting that the holder has a stake in capitalizing a company (Widoatmojo, 2004). The extent of this stake depends on the amount of money invested or an equivalent value, such as when an individual's expertise is considered equivalent to a monetary contribution.

Jogiyanto (2014) defines market value as the stock price observed in the stock exchange at a specific time, determined by market participants. This market value is determined by the demand for and supply of the particular stock. On the other hand, Kamaruddin (2004) states that stock price is formed from the interaction between stock sellers and buyers, underpinned by their expectations of a company's profit. Stock prices in the capital market can fluctuate due to reasons ranging from announcements to significant events.

Stock Volume

Stock volume refers to the total number of stocks traded in a stock market over a specific time frame. It quantifies stock trading activity and reflects the level of stock trading activity at a given moment. Stock volume is calculated in terms of the number of stocks traded, and it may vary from stock to stock or day to day. High trading volume usually indicates a heightened interest from market participants in the stock.

A common cause for an increase in stock volume can be significant news or announcements impacting the company or the market as a whole. Earnings announcements exceeding or falling short of expectations, new product launches, management changes, or major acquisitions can trigger a surge in volume. There is a significant positive relationship between unexpected earnings announcements and trading volume, suggesting that earnings news plays a crucial role in driving investor interest and trading activity (Smith, J. et al, 2020). Investors respond to this news by buying or selling stocks, leading to a volume spike.

A shift in market sentiment towards a stock or the market at large can result in dramatic changes in stock volume. Johnson, A. and Lee, B. (2018) posit that positive or negative sentiments expressed online can influence market participation levels. For instance, during sudden market volatility or sharp declines, many investors might engage in mass buying or selling, which in turn increases stock volume.

Post periods of high volatility or major market-impacting news, stock volume might decrease as the market stabilizes. This indicates that investors are no longer in a rush to make large-scale purchases or sales. Chen, L. et al. (2019), using Granger causality, demonstrated a cause-and-effect relationship between shifts in key macroeconomic indicators and stock trading volume fluctuations, emphasizing the link between economic factors and market activity.

In the absence of significant economic or business news affecting the market, investors might be inclined to maintain their positions and trade less actively. This could lead to a decrease in stock volume. Wang, M. and Garcia, R. (2017), in the context of emerging markets, investigated the impact of intraday news releases on stock trading volume. Their findings suggest that timely news dissemination significantly contributes to volume surges and higher market participation. In terms of stock volume, major news and shifts in market sentiment can result in volume increases or decreases. Overall, sustainable investment not only generates financial value but also contributes to social and environmental development, engaging multiple stakeholders to achieve sustainable development goals in Indonesia.

Coal Mining Sector in Indonesia

The coal mining sector in Indonesia has played a significant role in the country's economy over the past few decades. Coal, as a strategic commodity, has been pivotal to Indonesia's economic development. The coal mining sector encompasses a series of activities that include general investigation, exploration, feasibility studies, construction, mining, processing and refining, transportation and sales, and post-mining activities of carbon deposits found within the Earth, including solid bitumen, peat, and asphalt rock (Sulastri, et al. 2018). As one of the world's largest coal producers, Indonesia has leveraged its natural resources to generate revenue, foreign exchange, and employment opportunities. While this sector offers substantial economic benefits, its impact on the financial sustainability and investments in Indonesia needs careful scrutiny. Revenues from coal exports, royalties, and mining taxes have been a primary source of the Indonesian government's income. In recent years, fluctuations in global coal prices have posed economic challenges for the country, given its high dependency on revenues from this sector. Such price volatilities can disrupt national budget plans and affect overall economic stability.

It's essential to acknowledge that the coal mining sector also carries investment risks. The long-term sustainability of investments in this sector is influenced by several factors, including global trends towards sustainable investment. Investors are increasingly considering environmental, social, and corporate governance (ESG) impacts in their investment decisions. This means that coal mining companies need to prioritize sustainable practices and manage ESG risks diligently to remain attractive to investors. The environmental impact of the coal mining sector in Indonesia has been a major concern. Coal mining activities can lead to deforestation, land degradation, and water and air pollution. Logging and habitat destruction can threaten biodiversity and sensitive ecosystems. Water and air pollution can also have adverse effects on human health and the surrounding environment. In many instances, coal mining activities have sparked social conflicts with local and indigenous communities. Forced displacements, loss of livelihoods, and disruptions to the traditional lifestyles of indigenous communities have raised issues of human rights and inequalities. Local community dissatisfaction with the economic benefits derived from the mining sector can also result in tensions and social instability. Global investors are becoming increasingly aware of the importance of sustainable investment. Several international financial institutions have announced plans to reduce or cease funding for coal projects and other fossil fuel industries. As a result, coal mining companies in Indonesia may face challenges in accessing financing and maintaining their investment appeal.

Research Method

A quantitative descriptive research method is employed in this study to systematically collect and analyze data. The objective is to describe and elucidate the characteristics and relationships between the variables studied. This approach allows researchers to identify patterns, trends, and comparisons between variables within a particular population or sample. This quantitative descriptive study will provide a deeper understanding of financial developments and sustainable investments in Indonesia.

This research utilizes stock samples from the coal mining sector that implement Environmental, Social, and Governance (ESG) in Indonesia, selected through purposive random sampling. We have determined that the stocks to be tested are from PT Adaro Energy Tbk, PT Bukit Asam Tbk, PT Indo Tambangraya Megah Tbk, and PT Bumi Resources Tbk within the timeframe of May 1, 2022, to May 31, 2023. The study is conducted using a quantitative descriptive method by comparing each stock prices and stock volumes condition before and after the G20 Indonesian Presidency agenda was held in Bali, Indonesia, using the Wilcoxon Signed-Rank Test.

Results and Discussions

The reserchers employed the SPSS software to conduct descriptive statistical tests to provide a comprehensive overview of information from the research variables, including the mean, median, standard deviation, among others.

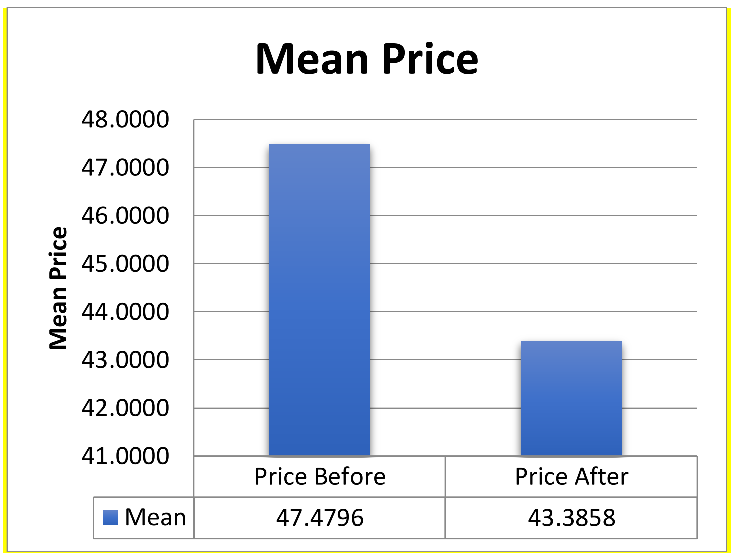
Table 1. Descriptive statistical test results for the prices and volumes variable

	Group	N	**Valid Percent**
Prices	Before	24	100%
	After	24	100%
Volumes	Before	24	100%
	After	24	100%

Source: SPSS processed

Based on the table above, it can be seen that using 24 data shows that the data used on price and volume variables, namely before and after the G20 agenda was held in Bali, is valid, shown by a percentage value of 100% so that no data is lost when analyzing.

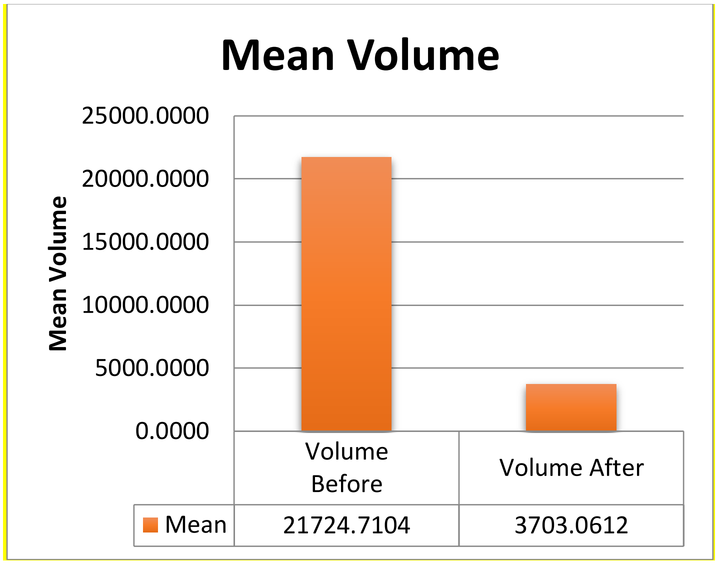
Figure 2. Mean results for the prices variable



Source: SPSS processed

Based on the table above, the average stock prices data before the G20 agenda was 47.4796 and after the G20 agenda the average stock prices decreased to 43.3858. The decrease value of the average stock prices is 4.0938. This shows that there is an influence caused by the G20 agenda which is taking place in Bali.

Figure 3. Mean results for the volume variable



Source: SPSS processed

Based on the table above, it can be seen that the average stock volumes data before the G20 agenda was 21724.7104 and after the G20 agenda the average stock volumes decreased to 3703.0612. The decrease value of the average stock volumes is 18021.642. This shows that there is an influence caused by the G20 agenda which is taking place in Bali.

Based on the testing results above, it can be descriptively observed that there are differences when examining **the means of each variable.** Both the stock price and volumes have decreased. To further test whether this difference is statistically significant, we conducted a Wilcoxon Signed Rank Test.

Before performing the Wilcoxon Signed Rank Test on the price and volume of coal mining sector companies, a normality test was first conducted to determine whether the data was normally distributed or not. The results of the data normality test are as follows:

Table 2. Data normality test results for stock prices variable

Tests of Normality

	Group	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
		Statistic	df	Sig.	Statistic	df	Sig.
Prices	Before	.266	24	.000	.728	24	.000
	After	.279	24	.000	.737	24	.000

a. Lilliefors Significance Correction

Source: SPSS processed

The Shapiro-Wilk test results indicate that the stock prices data is normally distributed. This is evidenced by the statistic values of 0.728 (before) and 0.737 (after), which are greater than the significance level of 0.000.

Before testing the differences in stock prices movements of construction companies, a data normality test was first conducted to determine whether the data is normal or not. If the data is found not to be normal, calculations for the subsequent difference test will not be conducted. The results of the data normality test are as follows:

Table 3. Data normality test results for stock volumes variable

Tests of Normality

Group	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.

Volumes	Before	.424	24	.000	.606	24	.000
	After	.356	24	.000	.668	24	.000

a. Lilliefors Significance Correction

Source: SPSS processed

The Shapiro-Wilk test results indicate that the stock volumes data is normally distributed. This is evidenced by statistical values of 0.606 (pre-test) and 0.668 (post-test), which are greater than the significance level of 0.000.

After conducting the normality test and determining that the data is normally distributed, we proceeded with the difference test with the test results presented as follows:

Table 4. Wilcoxon Signed Rank Test results for the stock prices variable

Test Statistics[a]

	Price After – Price Before
Z	-2.171[b]
Asymp. Sig. (2-tailed)	.030

a. Wilcoxon Signed Ranks Test

b. Based on positive ranks.

Source: SPSS processed

8The test results indicate a difference in stock prices between the periods before and after the G20 Presidency agenda was conducted in Bali, Indonesia. This is evidenced by a statistical value Z of -2.171, with the Asymp. Sig 2 tailed significant value of l of 0.030 which is less than the research critical limit of 0.05 so that the hypothesis decision is to accept H1 or which means there is a significant difference between the stock prices before and after.

Table 5. Wilcoxon Signed Rank Test results for the stock volumes variable

Test Statistics[a]

	Volume After – Volume Before
Z	-3.714[b]
Asymp. Sig. (2-tailed)	.000

a. Wilcoxon Signed Ranks Test

b. Based on positive ranks.

Source: SPSS processed

The results of the test indicate a difference in stock volumes between the periods before and after the G20 Presidency agenda was conducted in Bali, Indonesia. This is supported by a statistical value Z of -3.714 with the Asymp. Sig 2 tailed significant value of 0.000 which is less than the research critical limit of 0.05 so that the hypothesis decision is to accept H2 or which means there is a significant difference between the stock volumes before and after.

Conclusions

Based on these findings, management should make further efforts to bolster investor confidence. The Financial Services Authority (OJK) should implement policies aligned with the supervision of the capital market, building upon the objectives of the G20 Presidency agenda in Indonesia, particularly concerning the adoption of Environmental, Social, and Governance (ESG) standards in the country. Overall, Székely, F., & Knirsch, M. (2005) have statement that sustainable investment is not solely about financial gains but also entails delivering a positive impact on the environment and society. To achieve sustainable development goals, collaboration between the government, corporations, investors, and the broader community is essential to accelerate sustainable investment growth in Indonesia.

To validate the theory that stock prices and volumes can be influenced by a particular event, this study exclusively examined the period from May 1, 2022, to May 31, 2023. Furthermore, the research focused only on coal mining sector stock samples that had already adopted ESG standards. Future studies should consider broadening the variables, time range, and sample size. The study's findings reveal a significant difference in both stock prices and stock volumes before and after the hosting of the G20 Presidency agenda in Indonesia. This suggests that the G20 Presidency agenda in Indonesia exerted an influence on stock prices and volumes in the coal mining sector. Investors received information regarding the G20 agenda of the Indonesian Presidency in Indonesia as bad news because changes in stock prices and stock volume occurred negatively or tended to decline.

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