

Table 1: Baseline estimate, SO2 emission reduction, policy mandate, individual sector Education and Sport Activity”

	Dependent variable: SO2 emission						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
output _{cit}	-0.014 (0.163)	-0.017 (0.157)	-0.029 (0.145)	-0.063 (0.135)	-0.072 (0.137)	-0.063 (0.138)	-0.014 (0.161)
employment _{cit}	0.053 (0.032)	0.051 (0.033)	0.056* (0.031)	0.048 (0.031)	0.066* (0.034)	0.057* (0.030)	0.049 (0.031)
capital _{cit}	-0.828 (0.644)	-0.800 (0.679)	-1.214* (0.647)	-0.956 (0.600)	-1.372** (0.672)	-1.115* (0.564)	-1.054* (0.608)
period × policy mandate _c	-2.024 (1.574)	-1.941 (1.516)	-6.620 (10.383)	-4.093 (4.832)	6.809 (9.987)	-3.266 (3.848)	-1.087 (1.071)
period × working capital _{ci}	-1.108* (0.574)						
period × policy mandate _c × working capital _{ci}	1.894** (0.806)						
period × asset tangibility _{ci}		-1.127* (0.601)					
period × policy mandate _c × asset tangibility _{ci}		1.723*** (0.614)					
period × current ratio _{ci}			-0.659 (1.468)				
period × policy mandate _c × current ratio _{ci}			5.223 (8.723)				
period × cash assets _{ci}				0.824 (2.848)			
period × policy mandate _c × cash assets _{ci}				-15.706 (19.193)			
period × liabilities assets _{ci}					0.344 (2.976)		
period × policy mandate _c × liabilities assets _{ci}					-12.251 (17.148)		
period × return on asset _{ci}						-0.012 (0.176)	
period × policy mandate _c × return on asset _{ci}						1.322 (1.464)	
period × sales assets _{ci}							-0.008 (0.008)
period × policy mandate _c × sales assets _{ci}							0.012 (0.014)
City	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	273	273	277	273	273	273	275
R ²	0.714	0.725	0.724	0.712	0.716	0.714	0.719

This table estimates eq(3). Heteroskedasticity-robust standard errors clustered at the city level appear in parentheses. * Significance at the 10%, ** Significance at the 5%, *** Significance at the 1%.