

Table 1: Baseline estimate, SO2 emission reduction, policy mandate, individual sector

	Dependent variable: SO2 emission									
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Computers	Electrical Machine	Machinery	Tobacco	Transport Equipment	Smelting Metals	Raw Chemical	Special Machinery	Non-metallic Products	Metals
output _{cit}	-0.022*** (0.004)	0.003 (0.013)	-0.017 (0.014)	-0.031 (0.043)	-0.021 (0.013)	-0.008 (0.007)	-0.006 (0.004)	-0.004 (0.006)	-0.004 (0.006)	-0.003 (0.010)
employment _{cit}	0.009*** (0.002)	-0.008 (0.009)	0.018*** (0.005)	-0.041 (0.073)	0.021*** (0.007)	0.009** (0.004)	0.015* (0.009)	0.001 (0.005)	0.001 (0.005)	0.009 (0.006)
capital _{cit}	0.118*** (0.022)	0.237** (0.143)	0.002 (0.074)	0.068 (0.114)	0.015 (0.020)	0.017 (0.032)	-0.002 (0.016)	-0.029 (0.025)	-0.029 (0.025)	-0.042 (0.057)
period \times policy mandate _c	-1.266 (0.849)	-0.744 (0.869)	0.492 (0.389)	-0.125 (0.521)	-0.403 (0.470)	-0.555* (0.299)	-0.617* (0.355)	-0.138 (0.290)	-0.138 (0.290)	-0.384 (0.265)
City	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	788	734	1,368	495	1,129	1,673	1,462	1,879	1,879	1,903
R ²	0.647	0.639	0.762	0.693	0.807	0.852	0.816	0.858	0.858	0.831

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%.