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

	Dependent variable: SO2 emission						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
output$_{cit}$	−0.025*	−0.027*	−0.021	−0.021*	−0.021	−0.020	−0.020
	(0.014)	(0.015)	(0.013)	(0.012)	(0.013)	(0.013)	(0.013)
employment$_{cit}$	0.020***	0.022***	0.020***	0.021***	0.021***	0.021***	0.021***
	(0.006)	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
capital$_{cit}$	−0.005	−0.004	0.014	0.015	0.013	0.013	0.015
	(0.017)	(0.019)	(0.022)	(0.021)	(0.020)	(0.021)	(0.020)
period ×policy mandate$_c$	−1.062**	−0.948**	−0.861	−0.822	1.837	−0.526	−0.508
	(0.476)	(0.472)	(2.876)	(1.885)	(2.278)	(1.046)	(0.471)
period ×working capital$_{ci}$	0.108						
	(0.092)						
period ×policy mandate$_c$ × working capital$_{ci}$	0.029						
	(0.054)						
period ×asset tangibility$_{ci}$		0.062					
		(0.044)					
period ×policy mandate$_c$ × asset tangibility$_{ci}$		0.021					
		(0.024)					
period ×current ratio$_{ci}$			0.151				
			(0.527)				
period ×policy mandate$_c$ × current ratio$_{ci}$			0.414				
			(2.520)				
period ×cash assets$_{ci}$				0.246			
				(1.101)			
period ×policy mandate$_c$ × cash assets$_{ci}$				−1.717			
				(7.451)			
period ×liabilities assets$_{ci}$					0.421		
					(0.608)		
period ×policy mandate$_c$ × liabilities assets$_{ci}$					−3.805		
					(3.789)		
period ×return on asset$_{ci}$						−0.105	
						(0.089)	
period ×policy mandate$_c$ × return on asset$_{ci}$						0.051	
						(0.553)	
period ×sales assets$_{ci}$							−0.0004
							(0.003)
period ×policy mandate$_c$ × sales assets$_{ci}$							0.006
							(0.015)
City	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,119	1,127	1,129	1,118	1,118	1,118	1,127
R^2	0.806	0.808	0.807	0.804	0.804	0.804	0.807

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