

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

	Dependent variable: SO2 emission					
	(1)	(2)	(3)	(4)	(5)	(6)
working capital _{cit}	0.794** (0.361)					
current ratio _{cit}		-0.490** (0.209)				
cash assets _{cit}			-0.011 (1.789)			
liabilities assets _{cit}				0.395 (1.314)		
return on asset _{cit}					0.100 (0.107)	
sales assets _{cit}						0.0001 (0.0001)
output _{cit}	0.006 (0.046)	0.020 (0.047)	-0.021 (0.058)	-0.007 (0.056)	0.012 (0.048)	0.032 (0.045)
employment _{cit}	0.034 (0.023)	-0.004 (0.017)	0.092* (0.054)	0.096* (0.052)	0.067*** (0.024)	-0.004 (0.015)
capital _{cit}	-0.020 (0.277)	-0.031 (0.125)	-0.124 (0.307)	-0.181 (0.314)	-0.037 (0.276)	0.011 (0.146)
period × policy mandate _c	0.148 (0.436)	3.032 (2.292)	1.249 (1.546)	-1.190 (5.000)	-0.879 (0.916)	-0.387 (0.476)
period × working capital _{cit}	0.049 (0.160)					
policy mandate _c × working capital _{cit}	-0.813 (0.540)					
period × policy mandate _c × working capital _{cit}	-0.097 (0.126)					
period × current ratio _{cit}		0.372 (0.264)				
policy mandate _c × current ratio _{cit}		2.431* (1.396)				
period × policy mandate _c × current ratio _{cit}		-2.997 (1.922)				
period × cash assets _{cit}			-2.309 (1.729)			
policy mandate _c × cash assets _{cit}			10.533 (9.804)			
period × policy mandate _c × cash assets _{cit}			4.214 (8.211)			
period × liabilities assets _{cit}				0.157 (1.186)		
policy mandate _c × liabilities assets _{cit}				-13.378* (7.964)		
period × policy mandate _c × liabilities assets _{cit}				2.048 (9.204)		
period × return on asset _{cit}					-0.071 (0.095)	
policy mandate _c × return on asset _{cit}					-0.241 (0.492)	
period × policy mandate _c × return on asset _{cit}					0.398 (0.473)	
period × sales assets _{cit}						0.001** (0.001)
policy mandate _c × sales assets _{cit}						-0.001 (0.001)
period × policy mandate _c × sales assets _{cit}						-0.002 (0.002)
City	Yes	Yes	Yes	Yes	Yes	Yes
Time	Yes	Yes	Yes	Yes	Yes	Yes
Observations	459	824	339	339	458	694
R ²	0.838	0.663	0.877	0.877	0.832	0.695

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%.