

Table 1: Reduction mandate and TFP  $\times TCZ_{versus non-TCZ}$ 

	Dependent variable TFP $_{fikt}$			
	SOE		PRIVATE	
	(1) TCZ	(2) NO TCZ	(3) TCZ	(4) NO TCZ
$\text{target}_c \times \text{Period} \times \text{Polluted}_i$	0.144*** (0.050)	-0.419 (0.429)	-0.022 (0.021)	-0.421** (0.188)
Firm	Yes	Yes	Yes	Yes
City-industry	No	No	Yes	Yes
City-time	Yes	Yes	Yes	Yes
time-industry	No	No	Yes	Yes
Observations	32,078	9,410	517,652	89,657
R <sup>2</sup>	0.953	0.961	0.861	0.869

False