

**The impact of disparities in market and non-market
environmental policy instruments on intermediate and final
trade**

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Online Appendix

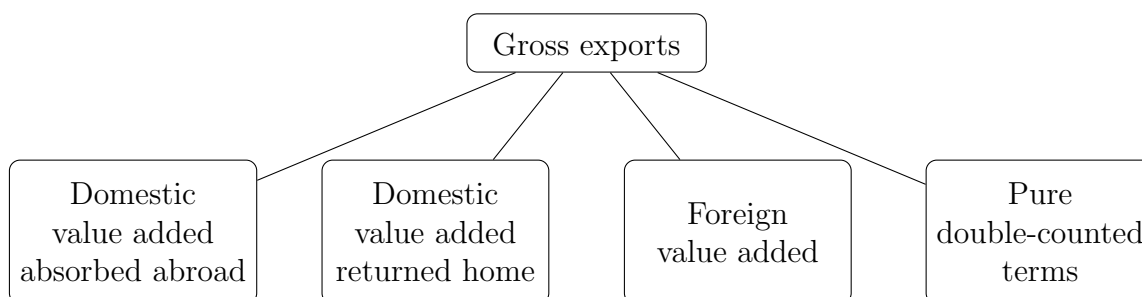
Appendix A. Main Tables and Figures

Table A1: The EPS policy instruments

Policy instruments	Instrument tools
Market based	Trading schemes for: carbon dioxide (CO_2) and renewable energy. Taxes: CO_2 , nitrogen oxides (NO_x), sulphur oxides (SO_x), and fuel.
Non-market based	Emission limit value for: NO_x , SO_x , particulate matter, and sulphur content limit for diesel.

Source: Kruse et al. (2022).

Figure A1: Decomposing sources of value added in gross export



Source: Wang et al. (2013).

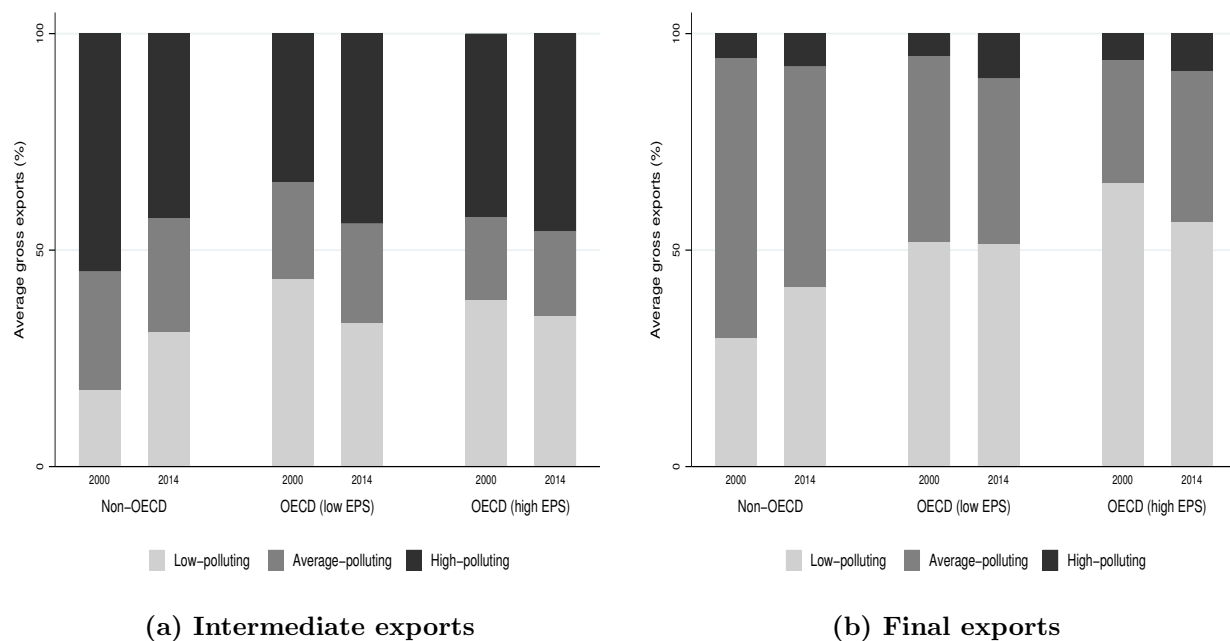
Table A2: Correlation between the gross exports and DVA in exports for final and intermediate goods and services

	Gross exports (intermediate)	Gross exports (final)	DVA in exports (intermediate)	Gross exports (intermediate)	Gross exports (final)	DVA in exports (intermediate)
	Agriculture and fishing			Manufacturing		
Gross exports (final)	0.3198	1		0.4925	1	
DVA in exports (intermediate)	0.9965	0.2841	1	0.9782	0.5046	1
DVA in exports (final)	0.3115	0.99	0.2832	0.4736	0.9881	0.4999
	Mining, quarrying, water and electricity			Services		
Gross exports (final)	0.5125	1		0.5259	1	
DVA in exports (intermediate)	0.9994	0.5095	1	0.995	0.5087	1
DVA in exports (final)	0.5114	0.9993	0.5091	0.5268	0.9929	0.517

Note: All coefficients are significant at 1%.

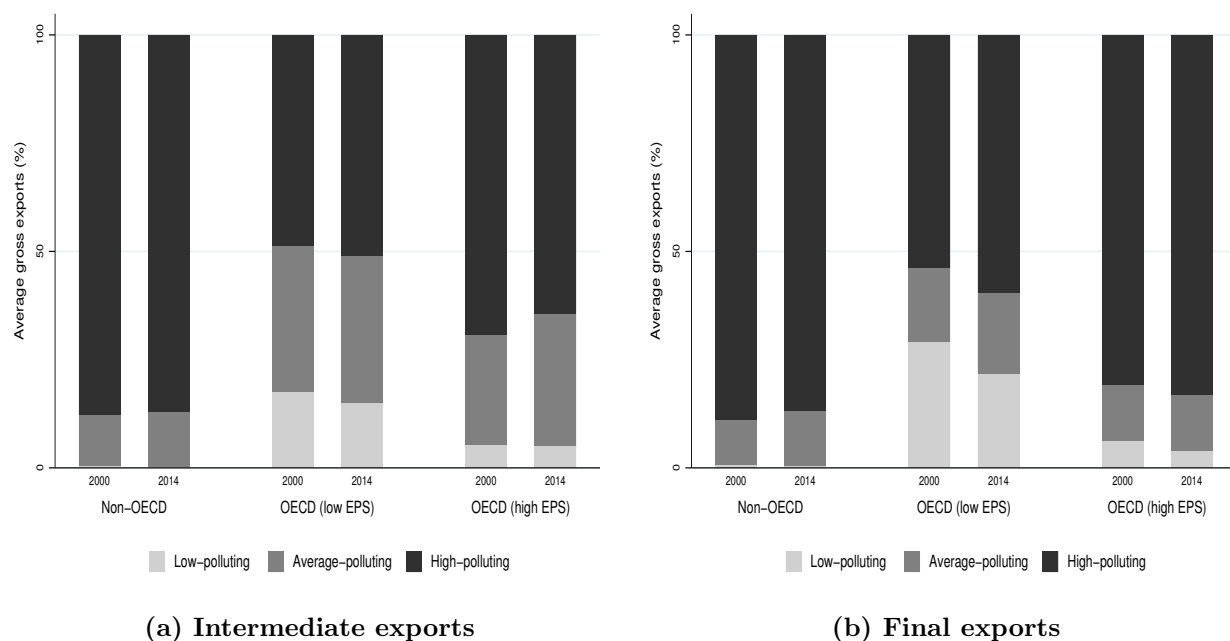
Source: Word Input-Output Tables (WIOTs) from WIOD, own calculations.

Figure A2: Intermediate and final export shares in the manufacturing sector by emission levels and country stringency of environmental policy



Source: OECD (2016) and WIOD (Timmer et al., 2015) data, own calculations.

Figure A3: Intermediate and final export shares in the service sector by emission levels and country stringency of environmental policy



Source: OECD (2016) and WIOD (Timmer et al., 2015) data, own calculations.

Table A3: Effects of environmental stringency gap on trade, PPML estimation results

	Gross exports (intermediate)		Gross exports (final)		DVA in exports (intermediate)		DVA in exports (final)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EPsgap	0.061 (0.101)	0.018 (0.071)	-0.194* (0.115)	-0.130 (0.091)	0.063 (0.102)	0.025 (0.071)	-0.203* (0.116)	-0.136 (0.090)
EPsgap*PI(50th percentile)	-0.132 (0.122)		0.149 (0.167)		-0.152 (0.122)		0.138 (0.166)	
EPsgap*PI(75th percentile)		-0.094 (0.111)		-0.020 (0.164)		-0.130 (0.112)		-0.102 (0.157)
Non-Reciprocal PTA	0.042 (0.039)	0.042 (0.039)	0.072 (0.045)	0.070 (0.046)	0.050 (0.040)	0.050 (0.040)	0.069 (0.044)	0.068 (0.045)
Preferential Trade Agreement	-0.035 (0.045)	-0.035 (0.045)	0.051 (0.061)	0.050 (0.061)	-0.052 (0.041)	-0.052 (0.041)	0.031 (0.059)	0.030 (0.059)
Free Trade Agreement	0.019 (0.030)	0.019 (0.030)	0.011 (0.033)	0.011 (0.033)	0.009 (0.032)	0.009 (0.032)	0.016 (0.032)	0.015 (0.032)
Customs Union	0.275*** (0.058)	0.275*** (0.058)	0.276*** (0.087)	0.275*** (0.087)	0.269*** (0.056)	0.269*** (0.056)	0.267*** (0.081)	0.266*** (0.081)
Common Market	-0.005 (0.043)	-0.005 (0.043)	0.011 (0.054)	0.010 (0.054)	0.010 (0.045)	0.010 (0.045)	0.019 (0.052)	0.018 (0.052)
Economic Union	-0.044 (0.060)	-0.044 (0.060)	-0.059 (0.089)	-0.060 (0.089)	-0.007 (0.058)	-0.006 (0.058)	-0.036 (0.074)	-0.037 (0.074)
N	752447	752447	750316	750316	752447	752447	750316	750316
Pseudo R-squared	0.982	0.982	0.984	0.984	0.980	0.980	0.982	0.982

Notes: Exporter-industry-time, importer-industry-time, and country pair-industry fixed effects are included in all estimations. Standard errors are reported in parentheses and are clustered at the exporter-importer-industry level, where * 0.10, ** 0.05, *** 0.01.

Table A4: Effects of market and non-market environmental stringency gaps on trade, PPML estimation results

	Gross exports (intermediate)		Gross exports (final)		DVA in exports (intermediate)		DVA in exports (final)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MKTgap	0.177** (0.074)	0.150*** (0.055)	0.063 (0.083)	0.035 (0.065)	0.170** (0.077)	0.143** (0.057)	0.063 (0.080)	0.028 (0.063)
MKTgap*PI(50th percentile)	-0.287*** (0.102)		-0.105 (0.119)		-0.276** (0.108)		-0.107 (0.117)	
MKTgap*PI(75th percentile)		-0.343*** (0.111)		-0.152 (0.135)		-0.335*** (0.120)		-0.098 (0.131)
NMKTgap	0.011 (0.058)	0.031 (0.041)	-0.063 (0.063)	-0.005 (0.050)	0.006 (0.059)	0.034 (0.041)	-0.065 (0.064)	-0.003 (0.050)
NMKTgap*PI(50th percentile)	0.032 (0.074)		0.153* (0.092)		0.031 (0.075)		0.144 (0.091)	
NMKTgap*PI(75th percentile)		0.002 (0.071)		0.049 (0.092)		-0.012 (0.073)		-0.006 (0.085)
Non-Reciprocal PTA	0.046 (0.040)	0.044 (0.039)	0.077* (0.046)	0.075 (0.046)	0.055 (0.040)	0.053 (0.040)	0.075* (0.045)	0.073 (0.045)
Customs Union	0.276*** (0.058)	0.276*** (0.058)	0.275*** (0.087)	0.274*** (0.087)	0.271*** (0.056)	0.271*** (0.056)	0.266*** (0.081)	0.264*** (0.081)
N	752447	752447	750316	750316	752447	752447	750316	750316
Pseudo R-squared	0.982	0.982	0.984	0.984	0.980	0.980	0.982	0.982

Note: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01.

Table A5: Effects of market and non-market environmental stringency gaps on trade for agriculture and fishing and manufacturing sectors, PPML estimation results

	Agriculture and fishing				Manufacturing			
	Gross exports		DVA in exports		Gross exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MKTgap	-0.048 (0.237)	-0.134 (0.228)	-0.062 (0.238)	-0.207 (0.232)	0.098* (0.057)	0.027 (0.074)	0.089 (0.057)	0.018 (0.073)
MKTgap*PI(75th percentile)					-0.294*** (0.111)	-0.254 (0.223)	-0.262** (0.107)	-0.100 (0.206)
NMKTgap	0.014 (0.128)	-0.233** (0.104)	0.006 (0.127)	-0.224** (0.102)	0.016 (0.042)	-0.002 (0.053)	0.020 (0.041)	0.001 (0.053)
NMKTgap*PI(75th percentile)					-0.018 (0.080)	0.232 (0.147)	-0.046 (0.079)	0.154 (0.136)
Non-Reciprocal PTA	0.313*** (0.086)	0.210 (0.152)	0.310*** (0.089)	0.188 (0.150)	-0.002 (0.042)	0.059 (0.050)	0.001 (0.040)	0.055 (0.049)
Preferential Trade Agreement	-0.326* (0.174)	0.270 (0.171)	-0.333* (0.175)	0.256 (0.172)	0.036 (0.051)	0.078 (0.067)	0.028 (0.045)	0.061 (0.066)
Free Trade Agreement	0.035 (0.117)	0.333*** (0.083)	0.037 (0.117)	0.341*** (0.085)	0.039 (0.026)	0.007 (0.037)	0.033 (0.025)	0.011 (0.037)
Customs Union	0.226 (0.196)	0.319 (0.235)	0.213 (0.197)	0.342 (0.233)	0.291*** (0.068)	0.297*** (0.107)	0.282*** (0.064)	0.294*** (0.104)
Common Market	0.427** (0.178)	0.673*** (0.156)	0.420** (0.177)	0.674*** (0.156)	-0.143*** (0.044)	-0.039 (0.062)	-0.154*** (0.043)	-0.040 (0.061)
Economic Union	0.716*** (0.253)	0.820*** (0.250)	0.725*** (0.250)	0.824*** (0.251)	-0.224*** (0.066)	-0.124 (0.100)	-0.226*** (0.062)	-0.115 (0.086)
N	43266	43266	43266	43266	275070	274200	275070	274200
Pseudo R-squared	0.978	0.978	0.977	0.975	0.983	0.985	0.981	0.984

Note: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01.

Table A6: Effects of market and non-market environmental stringency gaps on trade for mining, quarrying, water and electricity and services sectors, PPML estimation results

	Mining, quarrying, water and electricity				Services			
	Gross exports		DVA in exports		Gross exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MKTgap	-0.305 (0.343)	0.392 (0.570)	-0.319 (0.346)	0.431 (0.606)	0.274** (0.136)	0.115 (0.091)	0.256* (0.134)	0.105 (0.097)
MKTgap*PI(75th percentile)					-0.130 (0.174)	-0.175 (0.168)	-0.123 (0.175)	-0.197 (0.18)
NMKTgap	0.202 (0.166)	0.007 (0.332)	0.201 (0.168)	0.027 (0.333)	0.04 (0.143)	-0.08 (0.084)	0.025 (0.143)	-0.087 (0.085)
NMKTgap*PI(75th percentile)					0.129 (0.180)	0.065 (0.136)	0.131 (0.180)	0.065 (0.138)
Non-Reciprocal PTA	0.176 (0.177)	-0.308 (0.212)	0.173 (0.179)	-0.344 (0.210)	0.07 (0.065)	0.312*** (0.067)	0.056 (0.066)	0.294*** (0.066)
Preferential Trade Agreement	0.021 (0.185)	0.064 (0.230)	0.027 (0.183)	0.053 (0.230)	-0.342*** (0.060)	-0.156* (0.085)	-0.341*** (0.058)	-0.163* (0.084)
Free Trade Agreement	-0.084 (0.250)	-0.082 (0.178)	-0.104 (0.240)	-0.075 (0.186)	0.004 (0.036)	0.014 (0.036)	0.007 (0.036)	0.018 (0.035)
Customs Union	0.083 (0.391)	0.227 (0.337)	0.065 (0.393)	0.212 (0.351)	0.393*** (0.071)	0.285*** (0.082)	0.400*** (0.070)	0.282*** (0.083)
Common Market	0.238 (0.347)	0.220 (0.242)	0.238 (0.348)	0.217 (0.250)	0.261*** (0.055)	0.211*** (0.067)	0.267*** (0.055)	0.210*** (0.065)
Economic Union	0.517 (0.373)	0.442 (0.279)	0.521 (0.371)	0.408 (0.278)	0.393*** (0.072)	0.269*** (0.091)	0.401*** (0.071)	0.260*** (0.089)
N	54033	53284	54033	53284	366211	365799	366211	365799
Pseudo R-squared	0.985	0.965	0.985	0.965	0.972	0.963	0.971	0.961

Note: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01.

Table A7: Effects of market and non-market environmental stringency gaps on trade for the manufacturing sector, PPML estimation results

	Non-OECD to Non-OECD				Non-OECD to OECD			
	Gross exports		DVA in exports		Gross exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MKTgap	0.845 (0.617)	-2.691*** (0.643)	0.858 (0.662)	-2.687*** (0.624)	0.050 (0.100)	-0.056 (0.183)	0.059 (0.102)	-0.071 (0.179)
MKTgap*PI(75th percentile)	-1.354 (0.882)	0.912 (1.177)	-1.478 (0.919)	0.447 (1.165)	-0.111 (0.246)	0.086 (0.509)	-0.107 (0.248)	0.150 (0.507)
NMKTgap	-0.142 (0.196)	-0.005 (0.188)	-0.178 (0.210)	-0.078 (0.196)	0.174** (0.072)	-0.013 (0.107)	0.180** (0.072)	-0.006 (0.108)
NMKTgap*PI(75th percentile)	-0.139 (0.246)	-1.105*** (0.365)	-0.131 (0.260)	-1.028*** (0.377)	-0.111 (0.136)	0.247 (0.350)	-0.169 (0.131)	0.018 (0.321)
N	5051	5025	5051	5025	34290	33960	34290	33960
Pseudo R-squared	0.984	0.994	0.982	0.993	0.986	0.994	0.985	0.994

Note: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01.

Table A8: Effects of market and non-market environmental stringency gaps on trade for manufacturing sector, PPML estimation results

	OECD to Non-OECD				OECD to OECD			
	Gross exports		DVA in exports		Gross exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MKTgap	0.236* (0.121)	0.168 (0.135)	0.233* (0.120)	0.167 (0.132)	-0.047 (0.085)	0.039 (0.092)	-0.074 (0.086)	0.017 (0.090)
MKTgap*PI(75th percentile)	-0.445** (0.208)	-1.253*** (0.274)	-0.422** (0.203)	-1.161*** (0.256)	-0.250 (0.166)	-0.250 (0.278)	-0.149 (0.159)	0.120 (0.239)
NMKTgap	0.029 (0.070)	-0.019 (0.110)	0.007 (0.067)	-0.036 (0.107)	-0.027 (0.076)	0.231** (0.116)	-0.034 (0.075)	0.259** (0.111)
NMKTgap*PI(75th percentile)	0.092 (0.128)	0.033 (0.195)	0.072 (0.127)	-0.069 (0.181)	0.374** (0.156)	0.374 (0.231)	0.363** (0.154)	0.248 (0.215)
N	38010	37935	38010	37935	197715	197280	197715	197280
Pseudo R-squared	0.986	0.987	0.985	0.986	0.984	0.984	0.982	0.983

Note: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01.

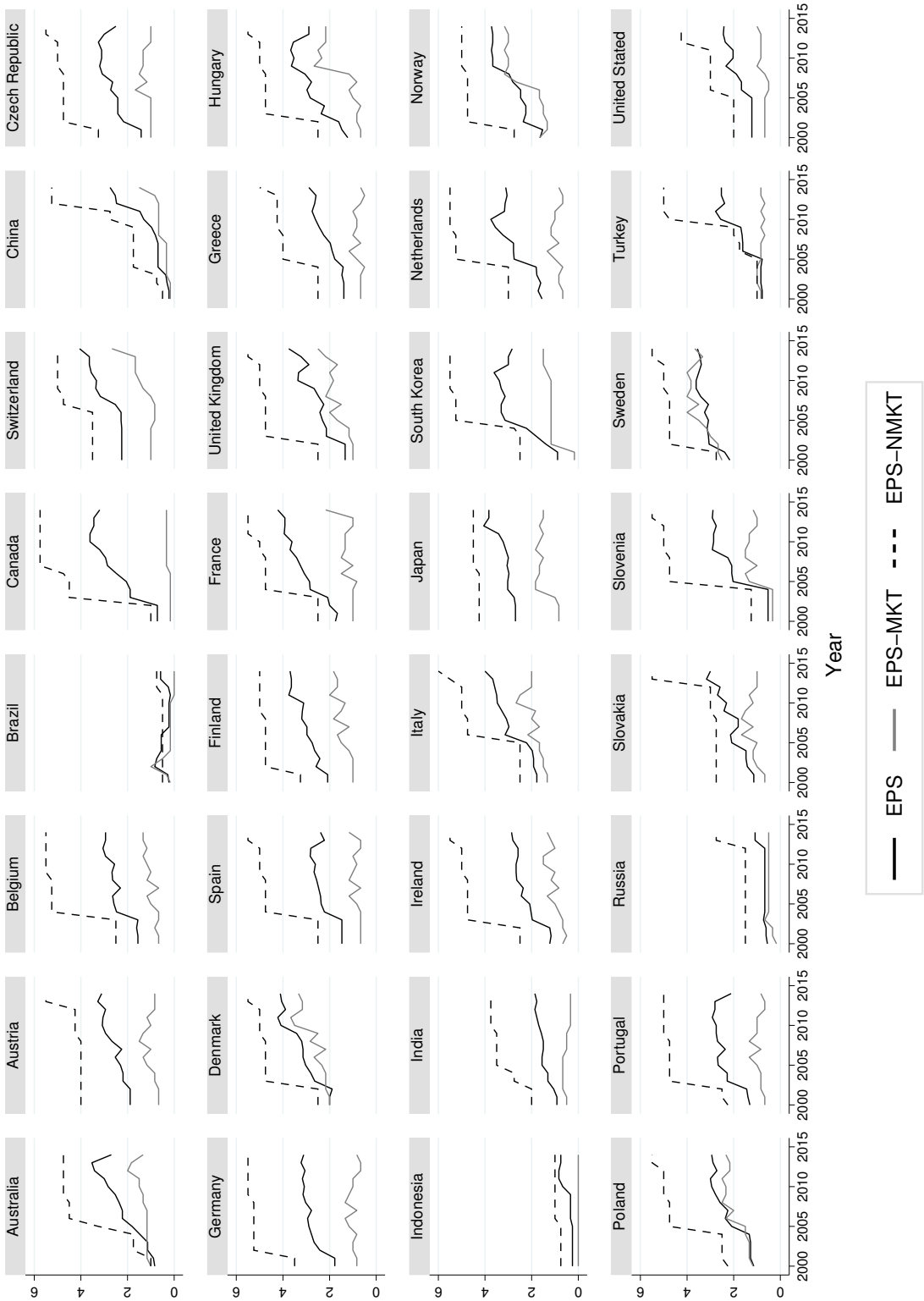
Table A9: Effects of market and non-market environmental stringency on pollution intensity and industrial technology in the manufacturing sector

	Emission Intensity				Industrial Technology			
	Non-OECD		OECD		Non-OECD		OECD	
	Low polluting	High polluting	Low polluting	High polluting	Low polluting	High polluting	Low polluting	High polluting
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
L.CO2Int	0.880*** (0.035)	0.878*** (0.026)	0.858*** (0.017)	0.909*** (0.019)				
L.IT					0.859*** (0.034)	0.836*** (0.051)	0.907*** (0.015)	0.881*** (0.023)
L.MKT	-0.111 (0.146)	-0.183* (0.076)	-0.028 (0.039)	-0.014 (0.015)	0.084 (0.047)	0.327** (0.091)	0.014 (0.012)	0.010 (0.015)
L.NMKT	-0.007 (0.034)	0.005 (0.025)	0.014 (0.013)	0.001 (0.006)	-0.003 (0.042)	-0.017 (0.026)	0.009* (0.005)	0.013*** (0.004)
N	549	488	2903	3192	437	376	3024	3318
R-squared	0.965	0.971	0.913	0.965	0.998	0.998	0.997	0.994

Note: Significance levels * 0.10, ** 0.05, *** 0.01.

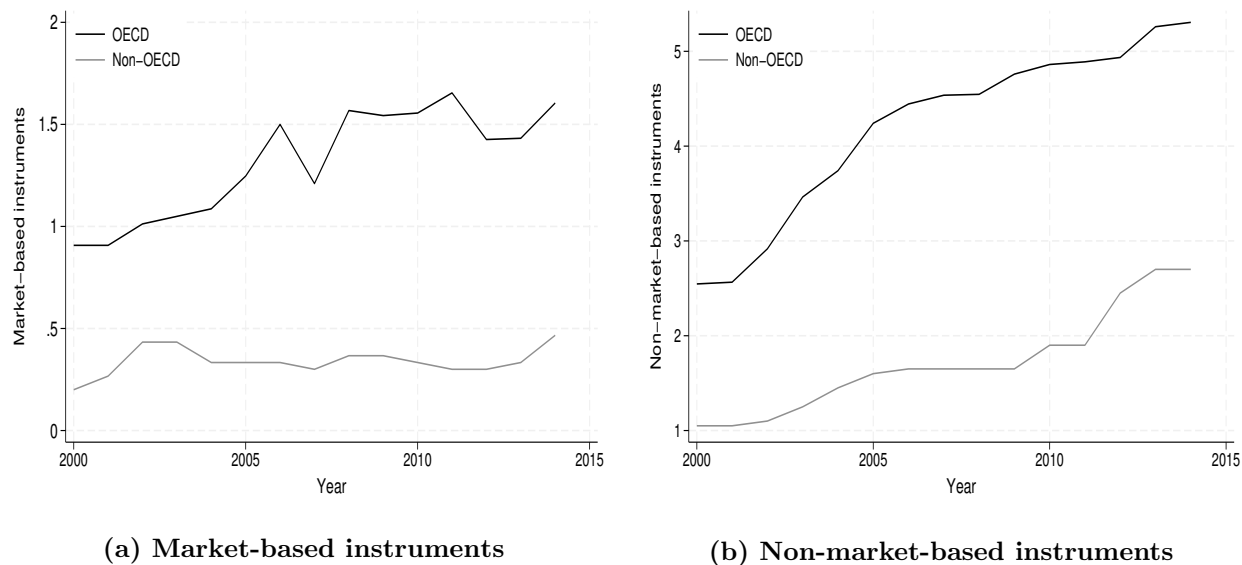
Appendix B. Supplementary Results

Figure B1: Evolution of the EPS and its market and non-market components over 2000-2014



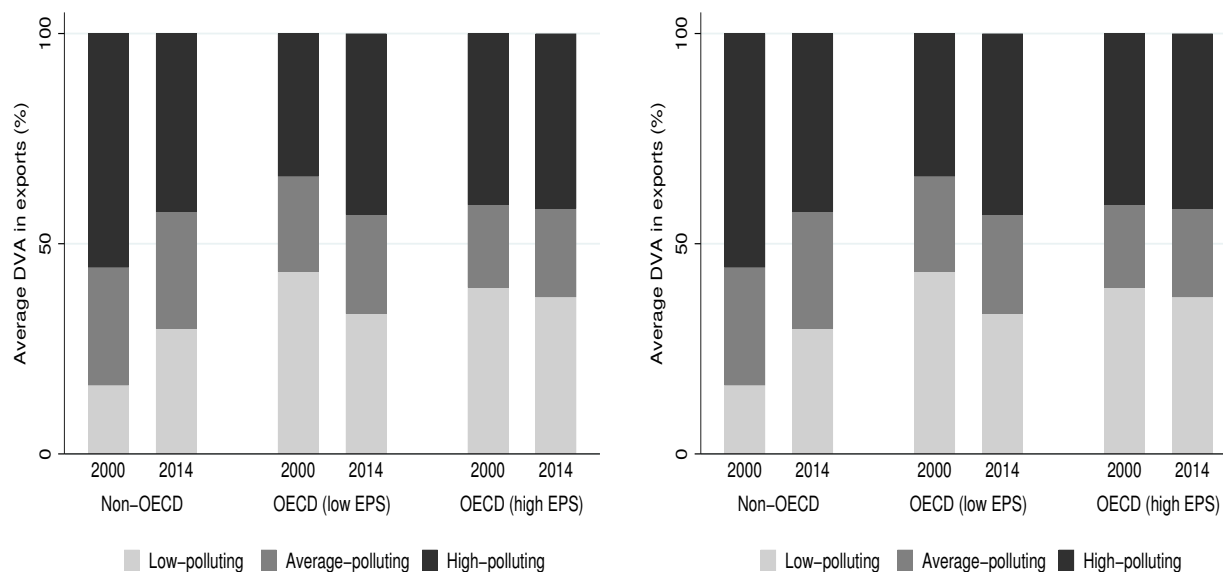
Note: MKT and NMK stand respectively for market-based instruments and non-market-based instruments.
Source: The OECD dataset, own calculations.

Figure B2: Average of market and non-market EPS for OECD and non-OECD countries over 2000-2014



Source: The OECD dataset, own calculations.

Figure B3: Intermediate and final value-added export shares in the manufacturing sector by emission levels and country stringency of environmental policy



Source: OECD (2016) and WIOD (Timmer et al., 2015) data, own calculations.

Table B1: Decomposed terms of bilateral gross exports (in %)

Country	Year: 2000							Year: 2014						
	DVA_INT	DVA_FIN	RDVA	FVA	PDC	Exports (intermediate)	Exports (final)	DVA_INT	DVA_FIN	RDVA	FVA	PDC	Exports (intermediate)	Exports (final)
Australia	56.68	28.85	0.17	10.76	3.54	66.38	33.62	59.07	25.88	0.27	10.09	4.68	69.68	30.32
Austria	51.82	27.77	0.3	15.27	4.85	65.13	34.87	49.08	24.35	0.3	18.5	7.78	67.51	32.49
Belgium	46.77	26.55	0.26	20.03	6.39	64.46	35.54	41.21	23.13	0.25	25.32	10.09	65.55	34.45
Brazil	61.34	29.58	0.16	6.64	2.27	67.46	32.54	62.96	25.57	0.3	7.66	3.51	71.18	28.82
Canada	52.49	27.47	0.2	15.35	4.49	65.65	34.35	51.54	27.39	0.26	15.34	5.47	65.07	34.93
Switzerland	51.82	27.03	0.28	15.76	5.1	65.99	34.01	51.54	26.06	0.3	15.77	6.33	67.05	32.95
China	53.21	34.28	0.37	9.47	2.66	60.85	39.15	54.1	33.01	1.31	8.41	3.17	62.79	37.21
Czech Republic	51.48	24.34	0.13	18.18	5.88	67.87	32.13	47.45	21.94	0.16	21.75	8.7	68.52	31.48
Germany	52.56	29.89	2.34	11.19	4.02	65.02	34.98	49.91	28.44	2.16	13.42	6.08	65.54	34.46
Denmark	42.85	35.6	0.16	16.8	4.59	55.03	44.97	42.86	30.39	0.16	19.49	7.09	59.26	40.74
Spain	48.9	31.94	0.49	14.25	4.42	61.27	38.73	48.57	32.15	0.48	13.33	5.46	61.11	38.89
Finland	54.83	27.39	0.13	13.22	4.43	66.7	33.3	50.49	25.03	0.13	17.22	7.14	67.32	32.68
France	52.21	29.36	1.13	13.08	4.22	64.43	35.57	51.59	25.05	1.14	15.61	6.6	67.77	32.23
United Kingdom	56.53	28.68	1.3	10.29	3.19	66.77	33.23	52.11	28.94	1.26	12.59	5.1	65.07	34.93
Greece	57	28.67	0.15	10.66	3.52	66.85	33.15	54.5	30.12	0.09	10.98	4.31	64.84	35.16
Hungary	43.25	26.86	0.09	22.87	6.92	61.31	38.69	44.07	22.54	0.11	24.09	9.18	65.73	34.27
Indonesia	53.45	29.19	0.07	13.41	3.87	64.38	35.62	58.34	25.89	0.12	11.41	4.25	68.68	31.32
India	54.81	31.23	0.14	10.17	3.65	64.3	35.7	58.35	25.37	0.25	10.4	5.63	70.65	29.35
Ireland	43.89	23.73	0.06	24.96	7.36	64.92	35.08	41.71	22.48	0.07	26.13	9.61	65.49	34.51
Italy	52.36	32.68	0.9	10.54	3.51	62.46	37.54	50.85	29.93	0.77	12.93	5.51	63.79	36.21
Japan	59.59	32.44	0.97	5.12	1.88	65.38	34.62	55.61	28.31	0.53	10.44	5.11	67.4	32.6
South Korea	51.54	31.27	0.19	12.9	4.08	62.73	37.27	53.18	24.2	0.25	15.5	6.87	69.25	30.75
Netherlands	51.68	26.53	0.41	16.2	5.18	66.46	33.54	46.56	23.09	0.38	21.13	8.84	67.06	32.94
Norway	55.05	28.3	0.2	12.51	3.94	66.17	33.83	53.29	27.5	0.25	13.36	5.6	66.57	33.43
Poland	54.45	26.17	0.25	14.31	4.81	67.5	32.5	49.31	27.43	0.38	16.33	6.54	64.41	35.59
Portugal	51.91	28.33	0.13	14.97	4.67	64.56	35.44	51.92	25.98	0.1	15.5	6.51	66.93	33.07
Russia	63.57	25.41	0.23	8.14	2.65	71.2	28.8	66.45	21.81	0.73	7.46	3.54	75.26	24.74
Slovakia	50.13	26.05	0.07	17.93	5.82	65.81	34.19	45.44	26.65	0.11	20.47	7.33	62.62	37.38
Slovenia	51.48	26.67	0.05	16.63	5.17	65.87	34.13	49.93	22.92	0.04	19.23	7.88	68.88	31.12
Sweden	50.62	28.16	0.33	15.9	4.99	64.35	35.65	52.75	24.81	0.39	15.4	6.66	68.29	31.71
Turkey	45.19	40.61	0.13	11.13	2.95	53.05	46.95	44.42	37.51	0.28	12.94	4.85	55.14	44.86
United States	60.87	28.17	3.44	5.5	2.02	69.61	30.39	61.47	26.45	2.52	6.54	3.01	70.82	29.18
Total	52.64	29.04	0.48	13.57	4.28	64.68	35.32	51.58	26.57	0.49	15.15	6.2	66.41	33.59

Notes: DVA⁻ INT and DVA⁻ FIN stand for DVA in exports of intermediates and finals, RDVA is the DVA that returns home, FVA is the foreign value added, and PDC are pure double-counting terms. These are the decomposed terms of bilateral exports between these 32 countries of our dataset.

Source: WIOD, own calculations.

Table B2: The difference between the final exports and the DVA in exports as a percentage of total exports

Nr.	Industry description	Difference in intermediates	Difference in finals
1	Manufacture of coke and refined petroleum products	38.311	10.242
2	Manufacture of basic metals	35.388	1.851
3	Manufacture of chemicals and chemical products	28.752	4.965
4	Manufacture of rubber and plastic products	25.468	5.727
5	Manufacture of paper and paper products	24.371	3.281
6	Manufacture of other non-metallic mineral products	21.095	3.046
7	Manufacture of fabricated metal products, except machinery and equipment	20.527	7.549
8	Manufacture of wood and products of wood and cork (no furniture), articles of straw, plaiting materials	19.692	3.055
9	Manufacture of electrical equipment	19.227	13.595
10	Air transport	18.185	8.382
11	Electricity, gas, steam and air conditioning supply	17.978	4.699
12	Water transport	17.511	6.349
13	Manufacture of motor vehicles, trailers and semi-trailers	17.340	19.846
14	Printing and reproduction of recorded media	16.812	5.316
15	Sewerage; waste collection, treatment, remediation, disposal activities, other waste management services	16.740	2.409
16	Construction	15.457	5.123
17	Manufacture of other transport equipment	15.029	16.915
18	Mining and quarrying	14.993	2.104
19	Manufacture of computer, electronic and optical products	14.571	19.073
20	Manufacture of textiles, wearing apparel and leather products	14.154	14.484
21	Repair and installation of machinery and equipment	13.718	12.153
22	Advertising and market research	13.626	2.634
23	Manufacture of machinery and equipment n.e.c.	13.477	16.757
24	Water collection, treatment and supply	11.709	2.879
25	Architectural and engineering activities; technical testing and analysis	11.303	2.584
26	Land transport and transport via pipelines	10.765	5.561
27	Crop and animal production, hunting and related service activities	10.643	7.181
28	Other professional, scientific and technical activities; veterinary activities	10.563	3.090
29	Wholesale and retail trade and repair of motor vehicles and motorcycles	10.240	6.185
30	Forestry and logging	10.028	2.830
31	Manufacture of basic pharmaceutical products and pharmaceutical preparations	10.002	12.077
32	Publishing activities	9.382	6.320
33	Warehousing and support activities for transportation	9.339	4.030
34	Administrative and support service activities	8.939	3.460
35	Computer programming, consultancy and related activities; information service activities	8.078	4.795
36	Telecommunications	8.021	4.463
37	Fishing and aquaculture	7.848	9.329
38	Manufacture of furniture; other manufacturing	7.720	16.827
39	Legal and accounting activities; activities of head offices; management consultancy activities	7.649	2.580
40	Wholesale trade, except of motor vehicles and motorcycles	7.569	4.770
41	Accommodation and food service activities	7.506	5.231
42	Postal and courier activities	7.030	3.357
43	Scientific research and development	6.833	5.738
44	Insurance, reinsurance and pension funding, except compulsory social security	6.595	3.512
45	Motion picture, video and television programme production, and other related activities	6.228	7.282
46	Activities auxiliary to financial services and insurance activities	6.193	3.704
47	Manufacture of food products, beverages and tobacco products	6.082	14.901
48	Human health and social work activities	5.574	4.206
49	Retail trade, except of motor vehicles and motorcycles	5.454	4.072
50	Public administration and defence; compulsory social security	5.424	2.953
51	Other service activities	4.733	6.043
52	Financial service activities, except insurance and pension funding	4.557	2.472
53	Real estate activities	4.020	1.882
54	Education	3.209	2.129
55	Activities of households as employers (also for own use)	1.661	1.404
56	Activities of extraterritorial organisations and bodies	0.000	0.000
Average		12.605	6.498

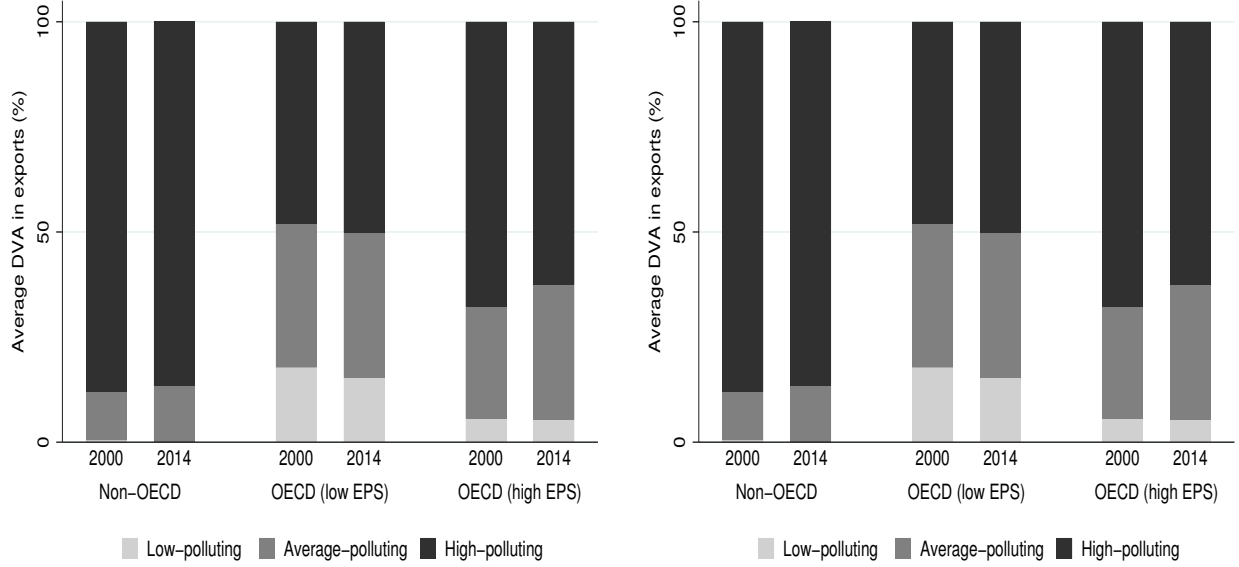
Source: WIOD, own calculations.

Table B3: Average CO_2 intensity over 2000-2014 for 56 industries (kg./thousand US\$ of output at current prices)

Code	Industry description	CO_2
<i>Agriculture and fishing</i>		
A03	Fishing and aquaculture	351.07
A01	Crop and animal production, hunting and related service activities	204.06
A02	Forestry and logging	169.34
<i>Mining, quarrying, water and electricity</i>		
D35	Electricity, gas, steam and air conditioning supply	3867.94
B	Mining and quarrying	604.19
E37-E39	Sewerage; waste collection, treatment, remediation, disposal activities, other waste management services	228.24
E36	Water collection, treatment and supply	144.23
<i>Manufacturing</i>		
C23	Manufacture of other non-metallic mineral products	1730.29
C24	Manufacture of basic metals	922.05
C19	Manufacture of coke and refined petroleum products	604.50
C20	Manufacture of chemicals and chemical products	522.52
C17	Manufacture of paper and paper products	224.40
C25	Manufacture of fabricated metal products, except machinery and equipment	95.79
C16	Manufacture of wood and products of wood and cork (no furniture), articles of straw, plaiting materials	92.14
C13-C15	Manufacture of textiles, wearing apparel and leather products	80.49
C22	Manufacture of rubber and plastic products	79.14
C10-C12	Manufacture of food products, beverages and tobacco products	70.36
C31_C32	Manufacture of furniture; other manufacturing	51.76
C18	Printing and reproduction of recorded media	50.67
C28	Manufacture of machinery and equipment n.e.c.	44.76
C30	Manufacture of other transport equipment	42.98
C27	Manufacture of electrical equipment	33.05
C29	Manufacture of motor vehicles, trailers and semi-trailers	27.40
C33	Repair and installation of machinery and equipment	24.27
C26	Manufacture of computer, electronic and optical products	23.12
C21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	20.70
<i>Services</i>		
H50	Water transport	2694.49
H51	Air transport	1207.83
H49	Land transport and transport via pipelines	439.57
M72	Scientific research and development	136.71
H52	Warehousing and support activities for transportation	115.29
H53	Postal and courier activities	91.97
R_S	Other service activities	83.52
I	Accommodation and food service activities	69.73
P85	Education	55.90
F	Construction	54.58
G47	Retail trade, except of motor vehicles and motorcycles	51.29
G45	Wholesale and retail trade and repair of motor vehicles and motorcycles	46.41
Q	Human health and social work activities	45.05
O84	Public administration and defence; compulsory social security	44.74
G46	Wholesale trade, except of motor vehicles and motorcycles	44.59
M69_M70	Legal and accounting activities; activities of head offices; management consultancy activities	41.96
N	Administrative and support service activities	38.29
M71	Architectural and engineering activities; technical testing and analysis	29.63
M74_M75	Other professional, scientific and technical activities; veterinary activities	26.09
K65	Insurance, reinsurance and pension funding, except compulsory social security	21.15
L68	Real estate activities	20.16
J62_J63	Computer programming, consultancy and related activities; information service activities	17.24
J61	Telecommunications	15.95
K66	Activities auxiliary to financial services and insurance activities	14.57
K64	Financial service activities, except insurance and pension funding	14.42
M73	Advertising and market research	14.41
J59_J60	Motion picture, video and television programme production, and other related activities	11.60
J58	Publishing activities	8.04
T	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	6.85
U	Activities of extraterritorial organisations and bodies	0.00

Source: WIOD environment accounts, own calculations.

Figure B4: Intermediate and final value-added export shares in the service sector by emission levels and country stringency of environmental policy



Source: OECD (2016) and WIOD (Timmer et al., 2015) data, own calculations.

Table B4: Effects of environmental stringency gap on trade for agriculture and fishing and manufacturing sectors, PPML estimation results

	Agriculture and fishing				Manufacturing			
	Gros exports		DVA in exports		Gros exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EPGgap	0.241	-0.273	0.225	-0.275	-0.096	-0.143	-0.096	-0.148
	(0.153)	(0.185)	(0.154)	(0.185)	(0.075)	(0.097)	(0.073)	(0.097)
EPGgap*PI(75th percentile)					0.027	0.312	-0.018	0.240
					(0.128)	(0.224)	(0.125)	(0.212)
Non-Reciprocal PTA	0.339***	0.208	0.336***	0.186	-0.004	0.054	-0.001	0.049
	(0.086)	(0.153)	(0.088)	(0.151)	(0.042)	(0.050)	(0.040)	(0.050)
Preferential Trade Agreement	-0.312*	0.265	-0.319*	0.250	0.038	0.079	0.030	0.062
	(0.172)	(0.171)	(0.173)	(0.171)	(0.051)	(0.067)	(0.045)	(0.066)
Free Trade Agreement	0.044	0.325***	0.046	0.331***	0.040	0.008	0.033	0.012
	(0.112)	(0.083)	(0.113)	(0.084)	(0.026)	(0.037)	(0.025)	(0.037)
Customs Union	0.236	0.315	0.223	0.337	0.292***	0.299***	0.282***	0.295***
	(0.193)	(0.238)	(0.195)	(0.236)	(0.068)	(0.106)	(0.064)	(0.104)
Common Market	0.437**	0.663***	0.429**	0.663***	-0.142***	-0.037	-0.153***	-0.038
	(0.175)	(0.155)	(0.174)	(0.155)	(0.044)	(0.062)	(0.043)	(0.061)
Economic Union	0.729***	0.807***	0.738***	0.811***	-0.223***	-0.122	-0.225***	-0.114
	(0.251)	(0.249)	(0.248)	(0.250)	(0.066)	(0.100)	(0.062)	(0.086)
N	43266	43266	43266	43266	275070	274200	275070	274200
Pseudo R-squared	0.978	0.978	0.977	0.975	0.983	0.985	0.981	0.984

Note: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01.

Table B5: Effects of environmental stringency gap on trade for mining, quarrying, water and electricity and service sectors, PPML estimation results

	Mining, quarrying, water and electricity				Service			
	Gros exports		DVA in exports		Gros exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EPsgap	-0.323	0.006	-0.412	-0.083	0.475**	-0.005	0.438**	-0.040
	(0.633)	(0.764)	(0.603)	(0.737)	(0.191)	(0.149)	(0.191)	(0.151)
EPsgap*PI(75th percentile)					-0.447	-0.609**	-0.414	-0.625**
					(0.319)	(0.288)	(0.326)	(0.302)
Non-Reciprocal PTA	0.136	-0.388*	0.132	-0.437**	0.080	0.312***	0.066	0.294***
	(0.175)	(0.208)	(0.177)	(0.206)	(0.065)	(0.067)	(0.066)	(0.066)
Preferential Trade Agreement	0.026	0.020	0.032	0.004	-0.344***	-0.159*	-0.343***	-0.167**
	(0.186)	(0.229)	(0.184)	(0.229)	(0.059)	(0.085)	(0.058)	(0.084)
Free Trade Agreement	-0.105	-0.108	-0.126	-0.106	0.005	0.014	0.009	0.018
	(0.251)	(0.180)	(0.242)	(0.189)	(0.036)	(0.036)	(0.036)	(0.035)
Customs Union	0.060	0.209	0.041	0.190	0.394***	0.287***	0.402***	0.285***
	(0.388)	(0.340)	(0.390)	(0.355)	(0.071)	(0.083)	(0.070)	(0.083)
Common Market	0.226	0.205	0.225	0.198	0.263***	0.212***	0.268***	0.211***
	(0.349)	(0.243)	(0.349)	(0.252)	(0.055)	(0.067)	(0.054)	(0.065)
Economic Union	0.501	0.420	0.504	0.380	0.395***	0.270***	0.402***	0.260***
	(0.374)	(0.280)	(0.372)	(0.280)	(0.072)	(0.092)	(0.071)	(0.089)
N	54033	53284	54033	53284	366211	365799	366211	365799
Pseudo R-squared	0.985	0.965	0.985	0.965	0.972	0.963	0.971	0.961

Note: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01.

Table B6: Effects of market and non-market environmental stringency gaps on trade for manufacturing and service sectors, PPML estimation results

	Manufacturing				Services			
	Gross exports		DVA in exports		Gross exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MKTgap	0.094	0.040	0.075	0.042	0.347*	0.119	0.322*	0.115
	(0.077)	(0.088)	(0.077)	(0.087)	(0.185)	(0.138)	(0.183)	(0.137)
MKTgap*PI(50th percentile)	-0.192*	-0.085	-0.147	-0.088	-0.221	-0.090	-0.202	-0.107
	(0.103)	(0.149)	(0.101)	(0.150)	(0.204)	(0.169)	(0.203)	(0.171)
NMKTgap	-0.001	-0.034	-0.001	-0.035	0.101	-0.123	0.080	-0.135
	(0.059)	(0.063)	(0.057)	(0.063)	(0.210)	(0.144)	(0.209)	(0.144)
NMKTgap*PI(50th percentile)	0.014	0.131	0.003	0.125	-0.033	0.096	-0.023	0.102
	(0.077)	(0.109)	(0.074)	(0.109)	(0.232)	(0.161)	(0.232)	(0.162)
Non-Reciprocal PTA	-0.001	0.060	0.002	0.056	0.070	0.313***	0.056	0.295***
	(0.042)	(0.050)	(0.040)	(0.049)	(0.066)	(0.067)	(0.066)	(0.066)
Preferential Trade Agreement	0.037	0.078	0.028	0.061	-0.343***	-0.156*	-0.342***	-0.163*
	(0.051)	(0.067)	(0.045)	(0.066)	(0.060)	(0.085)	(0.058)	(0.084)
Free Trade Agreement	0.039	0.007	0.033	0.011	0.004	0.014	0.008	0.018
	(0.026)	(0.037)	(0.025)	(0.037)	(0.036)	(0.036)	(0.036)	(0.035)
Customs Union	0.292***	0.298***	0.282***	0.295***	0.393***	0.285***	0.400***	0.283***
	(0.068)	(0.106)	(0.064)	(0.104)	(0.071)	(0.082)	(0.070)	(0.083)
Common Market	-0.143***	-0.039	-0.154***	-0.040	0.262***	0.211***	0.268***	0.210***
	(0.044)	(0.062)	(0.043)	(0.061)	(0.055)	(0.067)	(0.055)	(0.065)
Economic Union	-0.224***	-0.124	-0.225***	-0.115	0.394***	0.269***	0.401***	0.260***
	(0.066)	(0.100)	(0.061)	(0.086)	(0.072)	(0.091)	(0.071)	(0.089)
N	275070	274200	275070	274200	366211	365799	366211	365799
Pseudo R-squared	0.983	0.985	0.981	0.984	0.972	0.963	0.971	0.961

Note: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01.

Table B7: Effects of EPS, market and non-market based instrument gap on trade, using first lags

	Gros exports		DVA in exports		Gros exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EPSgap	-0.050 (0.070)	-0.173** (0.087)	-0.037 (0.070)	-0.172** (0.086)				
EPSgap*PI(75th percentile)	-0.061 (0.115)	0.171 (0.171)	-0.116 (0.118)	0.064 (0.163)				
MKTgap					0.108* (0.059)	-0.066 (0.066)	0.096 (0.061)	-0.070 (0.065)
MKTgap*PI(75th percentile)					-0.312** (0.124)	-0.076 (0.148)	-0.326** (0.134)	-0.062 (0.144)
NMKTgap					-0.007 (0.040)	-0.051 (0.049)	-0.002 (0.040)	-0.048 (0.048)
NMKTgap*PI(75th percentile)					0.038 (0.068)	0.157* (0.086)	0.021 (0.069)	0.104 (0.080)
N	702304	700287	702304	700287	702304	700287	702304	700287
Pseudo R-squared	0.982	0.984	0.980	0.983	0.982	0.984	0.980	0.983

Notes: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01. To optimize space, the economic integration variable is omitted.

Table B8: Effects of market and non-market based instrument gap on trade, using System GMM

	Exports	DVA in Exports
	Intermediate	Intermediate
	(1)	(2)
L.Intermediate Export	0.538* (0.32)	
L.DVA in Exports		0.219 (0.37)
MKTgap	0.381** (0.18)	0.374** (0.17)
MKTgap*PI(75th percentile)	-0.405* (0.24)	-0.266 (0.25)
NMKTgap	-0.291 (0.22)	-0.302 (0.19)
NMKTgap*PI(75th percentile)	0.235 (0.17)	0.257 (0.24)
Non-Reciprocal PTA	0.844 (1.26)	2.806 (2.54)
Preferential Trade Agreement	-8.781 (12.79)	10.818 (19.77)
Free Trade Agreement	-15.092 (11.70)	-22.677** (11.46)
Customs Union	-79.235* (41.30)	-74.137** (33.82)
Common Market	2.738 (3.05)	0.604 (1.65)
Economic Union	6.648*** (2.50)	11.167** (4.78)
Observations	697984	697984
Groups	50327	50327
Instruments	22	22
AR1 (p-value)	0.006	0.000
AR2 (p-value)	0.502	0.134
Hansen-J (p-value)	0.236	0.753
Sargan (p-value)	0.303	0.840

Notes: System GMM uses Windmeijer-corrected standard errors (in parentheses), the small-sample test statistics, and forward-orthogonal deviations for the transformation. Significance levels * 0.10, ** 0.05, *** 0.01.

Table B9: Effects of market and non-market environmental stringency on bilateral exports
- role of institutions and selected years, PPML estimation results

	Institution quality				Results for year 2005 and 2013			
	Gros exports		DVA in exports		Gros exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MKTgap	0.149*** (0.056)	0.088 (0.063)	0.142** (0.057)	0.079 (0.062)	0.172 (0.127)	0.183 (0.141)	0.168 (0.133)	0.157 (0.136)
NMKTgap	0.004 (0.042)	0.007 (0.047)	0.005 (0.042)	0.008 (0.046)	0.313*** (0.105)	0.274** (0.128)	0.322*** (0.108)	0.283** (0.125)
MKTgap*PI(75th percentile)	-0.254** (0.110)	-0.218 (0.141)	-0.248** (0.117)	-0.168 (0.140)	-0.811*** (0.303)	-0.538* (0.295)	-0.885*** (0.343)	-0.426 (0.273)
NMKTgap*PI(75th percentile)	-0.040 (0.071)	0.084 (0.092)	-0.065 (0.073)	0.027 (0.085)	0.273 (0.197)	0.424* (0.249)	0.200 (0.195)	0.342 (0.237)
MKTgap*Institutions _o	0.023 (0.018)	-0.036* (0.019)	0.023 (0.018)	-0.032* (0.019)				
NMKTgap*Institutions _o	-0.021 (0.017)	0.015 (0.014)	-0.025 (0.018)	0.015 (0.013)				
MKTgap*Institutions _d	-0.026 (0.018)	-0.022 (0.021)	-0.026 (0.019)	-0.026 (0.020)				
NMKTgap*Institutions _d	-0.037*** (0.012)	-0.038** (0.016)	-0.038*** (0.012)	-0.041*** (0.015)				
MKTgap*PI(75th percentile)*Institutions _o	-0.060* (0.036)	0.067 (0.044)	-0.061 (0.038)	0.075* (0.045)				
NMKTgap*PI(75th percentile)*Institutions _o	-0.035 (0.029)	0.026 (0.034)	-0.037 (0.030)	0.018 (0.030)				
MKTgap*PI(75th percentile)*Institutions _d	-0.020 (0.041)	0.042 (0.037)	-0.015 (0.047)	0.052 (0.037)				
NMKTgap*PI(75th percentile)*Institutions _d	0.014 (0.023)	0.053* (0.029)	0.010 (0.024)	0.047 (0.029)				
N	702380	700307	702380	700307	86174	85926	86174	85926
Pseudo R-squared	0.982	0.984	0.980	0.983	0.986	0.987	0.984	0.986

Notes: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01. Institutions_o and Institutions_d indicate the origin and destination institutions, respectively. To optimize space, the economic integration variable is omitted.

Table B10: Effects of EPS, market and non-market based instrument gap on trade, using gross energy use data instead of CO₂ emissions

	Gros exports		DVA in exports		Gros exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EPSgap	0.031 (0.072)	-0.128 (0.091)	0.039 (0.072)	-0.133 (0.090)				
EPSgap*PI(75th percentile)	-0.115 (0.111)	-0.048 (0.163)	-0.154 (0.112)	-0.134 (0.157)				
MKTgap					0.158*** (0.056)	0.037 (0.065)	0.151*** (0.058)	0.029 (0.063)
MKTgap*PI(75th percentile)					-0.353*** (0.109)	-0.167 (0.134)	-0.345*** (0.117)	-0.112 (0.130)
NMKTgap					0.027 (0.042)	-0.004 (0.050)	0.029 (0.042)	-0.003 (0.050)
NMKTgap*PI(75th percentile)					0.011 (0.071)	0.041 (0.092)	-0.002 (0.072)	-0.013 (0.084)
N	752447	750316	752447	750316	752447	750316	752447	750316
Pseudo R-squared	0.982	0.984	0.980	0.982	0.982	0.984	0.980	0.982

Notes: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01. To optimize space, the economic integration variable is omitted.

Table B11: Effects of EPS, market and non-market based instrument gap on trade, using different fixed effects

	Gros exports		DVA in exports		Gros exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EPSgap	-0.100 (0.119)	-0.113 (0.162)	-0.093 (0.122)	-0.128 (0.161)				
EPSgap*PI(75th percentile)	-0.035 (0.028)	-0.052 (0.046)	-0.052* (0.031)	-0.051 (0.050)				
MKTgap					-0.024 (0.099)	-0.001 (0.088)	-0.018 (0.108)	-0.015 (0.090)
MKTgap*PI(75th percentile)					-0.025 (0.031)	-0.113*** (0.040)	-0.050 (0.035)	-0.131*** (0.044)
NMKTgap					-0.062 (0.069)	0.004 (0.085)	-0.067 (0.070)	0.002 (0.083)
NMKTgap*PI(75th percentile)					0.011 (0.017)	-0.013 (0.024)	0.013 (0.018)	-0.012 (0.025)
N	751105	749310	751105	749310	751105	749310	751105	749310
Pseudo R-squared	0.967	0.973	0.964	0.971	0.967	0.973	0.964	0.971

Notes: Exporter-time, importer-time, industry-time and country pair-industry fixed effects are included in all estimations. Standard errors are reported in parenthesis and are clustered at the exporter-importer-industry level, where * 0.10, ** 0.05, *** 0.01. To optimize space, the economic integration variable is omitted.

Table B12: Effects of EPS, market and non-market based instrument gap on trade, excluding China from the dataset

	Gros exports		DVA in exports		Gros exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EPSgap	0.065 (0.072)	-0.103 (0.087)	0.060 (0.073)	-0.105 (0.085)				
EPSgap*PI(75th percentile)	0.003 (0.126)	0.082 (0.220)	-0.026 (0.130)	-0.077 (0.212)				
MKTgap					0.105* (0.056)	0.019 (0.065)	0.093 (0.058)	0.003 (0.063)
MKTgap*PI(75th percentile)					-0.266** (0.121)	-0.111 (0.144)	-0.257* (0.132)	-0.046 (0.141)
NMKTgap					0.072* (0.044)	0.109** (0.055)	0.068 (0.044)	0.112** (0.054)
NMKTgap*PI(75th percentile)					0.044 (0.082)	0.080 (0.122)	0.013 (0.084)	-0.022 (0.113)
N	710137	708082	710137	708082	710137	708082	710137	708082
Pseudo R-squared	0.981	0.981	0.979	0.979	0.981	0.981	0.979	0.979

Notes: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01. To optimize space, the economic integration variable is omitted.

Table B13: Effects of EPS, market and non-market based instrument gap on trade, using 3-year interval data

	Gros exports		DVA in exports		Gros exports		DVA in exports	
	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)	(intermediate)	(final)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
EPSgap	0.010	-0.059	0.016	-0.060				
	(0.074)	(0.096)	(0.073)	(0.095)				
EPSgap*PI(75th percentile)	-0.082	0.151	-0.129	0.059				
	(0.121)	(0.191)	(0.119)	(0.168)				
MKTgap					0.219***	0.138*	0.208***	0.130*
					(0.059)	(0.073)	(0.061)	(0.070)
MKTgap*PI(75th percentile)					-0.329**	-0.181	-0.321**	-0.184
					(0.130)	(0.142)	(0.138)	(0.137)
NMKTgap					-0.020	-0.020	-0.009	-0.013
					(0.050)	(0.059)	(0.049)	(0.058)
NMKTgap*PI(75th percentile)					0.049	0.159	0.022	0.087
					(0.086)	(0.110)	(0.087)	(0.100)
N	300678	299579	300678	299579	300678	299579	300678	299579
Pseudo R-squared	0.982	0.984	0.980	0.982	0.982	0.984	0.980	0.982

Notes: See Table A3, significance levels * 0.10, ** 0.05, *** 0.01. To optimize space, the economic integration variable is omitted.

Table B14: Ratio of sectoral value-added shares in 2014 relative to 2000, by pollution intensity for OECD and non-OECD countries

OECD Countries				Non-OECD Countries			
Country name	Low polluting	Average polluting	High polluting	Country name	Low polluting	Average polluting	High polluting
Australia	1.040	1.060	0.930	Brazil	1.160	0.960	1.350
Austria	1.350	0.970	0.770	China	1.280	1.010	0.860
Belgium	1.110	1.210	0.810	Indonesia	1.170	0.870	0.920
Canada	0.840	0.920	1.330	India	1.180	1.030	0.920
Switzerland	1.000	1.050	0.780	Russia	0.780	1.160	1.000
Czech Republic	1.280	1.100	0.590	Total	1.114	1.006	1.013
Germany	1.110	0.880	0.820				
Denmark	1.080	0.740	0.700				
Spain	1.330	1.030	0.750				
Finland	1.280	1.300	1.120				
France	1.030	0.940	0.850				
United Kingdom	1.090	0.960	0.920				
Greece	1.670	0.670	1.000				
Hungary	1.510	0.910	0.820				
Ireland	0.860	0.990	0.750				
Italy	1.110	0.960	0.760				
Japan	1.290	0.850	0.990				
South Korea	1.130	0.770	0.860				
Netherlands	0.860	0.940	1.140				
Norway	1.260	0.990	0.670				
Poland	1.090	1.050	0.950				
Portugal	0.980	1.050	0.970				
Slovakia	1.290	1.060	0.710				
Slovenia	0.940	1.100	0.830				
Sweden	1.070	0.880	1.200				
Turkey	1.000	1.000	1.000				
United States	1.000	0.860	1.180				
Total	1.159	0.975	0.888				

Source: WIOD, own calculations.