Online Appendix

Small and Beautiful?

The Programme of Activities and the Least Developed Countries

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A1 Data Description

The following figures further illustrate distributions of our key variables. Figures A1 to A17 summarize the most important aspects of our data.

- Figure A1 shows the count of CDM projects.
- Figure A2 shows the count of PoAs.
- Figure A3 shows the logged population variable, 3-year lag.
- Figure A4 shows the logged income variable, 3-year lag.
- Figure A5 shows the urban population variable as % of total, 3-year lag.
- Figure A6 shows the corruption variable, 3-year lag.
- Figure A7 shows the political risk variable, 3-year lag.
- Figure A8 shows the energy intensity variable as kg of oil equivalents per US$ 1,000 GDP (constant 2005 PPP), 3-year lag.
- Figure A9 shows the urban air pollution variable as particulate matter per m^3, 3-year lag.
- Figure A10 shows the CO2 intensity variable as kg per US$ GDP (constant 2005 PPP), 3-year lag.
- Figure A11 shows the electricity loss variable, 3-year lag.
- Figure A12 shows the electricity generation variable as % of coal, 3-year lag.
- Figure A13 shows the trade volume variable as % of total GDP, 3-year lag.
- Figure A14 shows the industry share variable as % of total GDP, 3-year lag.
- Figure A16 shows the domestic savings rate variable as % of total GDP, 3-year lag.
- Figure A15 shows the population density variable as people per km^2, 3-year lag.
- Figure A17 shows the life expectancy variable in years, 3-year lag.

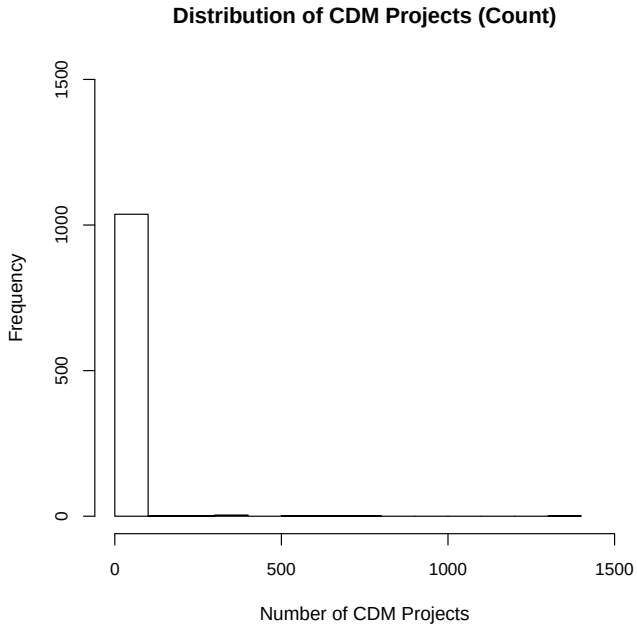

Figure A1: Histogram of count of CDM projects.

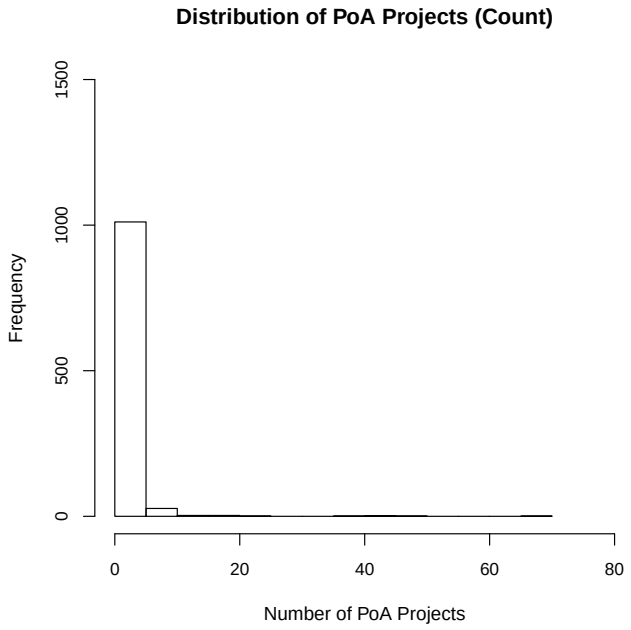

Figure A2: Histogram of count of PoAs.

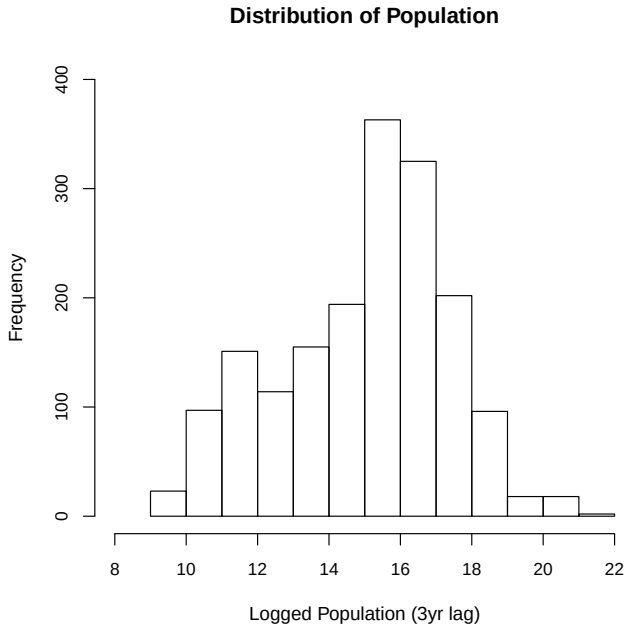

Figure A3: Histogram of population variable, logged, 3-year lag.

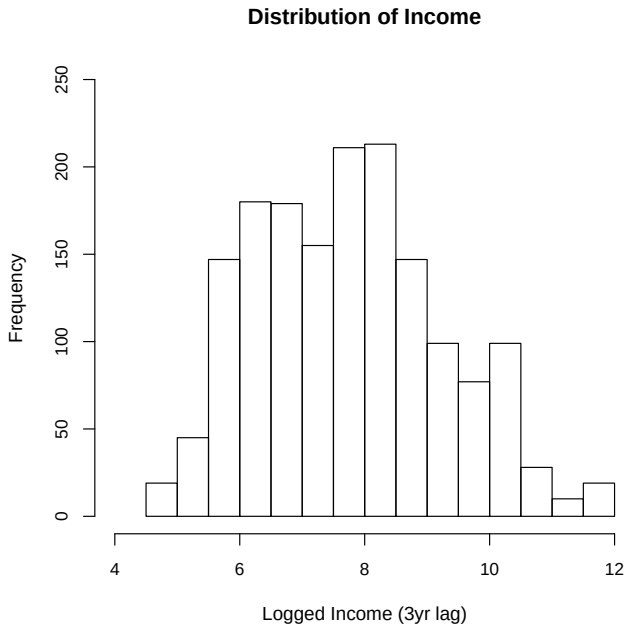

Figure A4: Histogram of income variable, logged, 3-year lag.

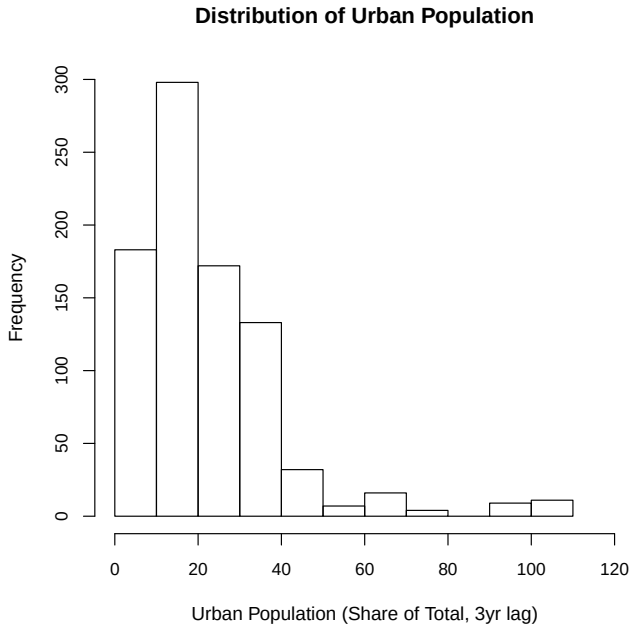

Figure A5: Histogram of urban population as % of total, 3-year lag.

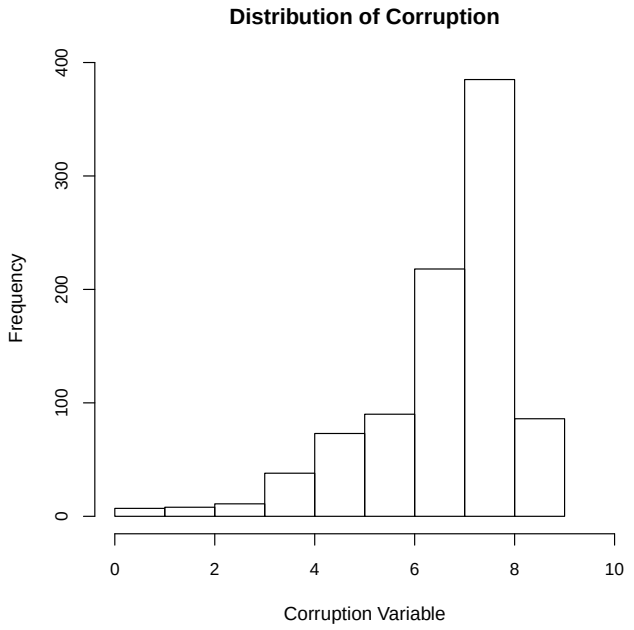

Figure A6: Histogram of corruption variable, 3-year lag.

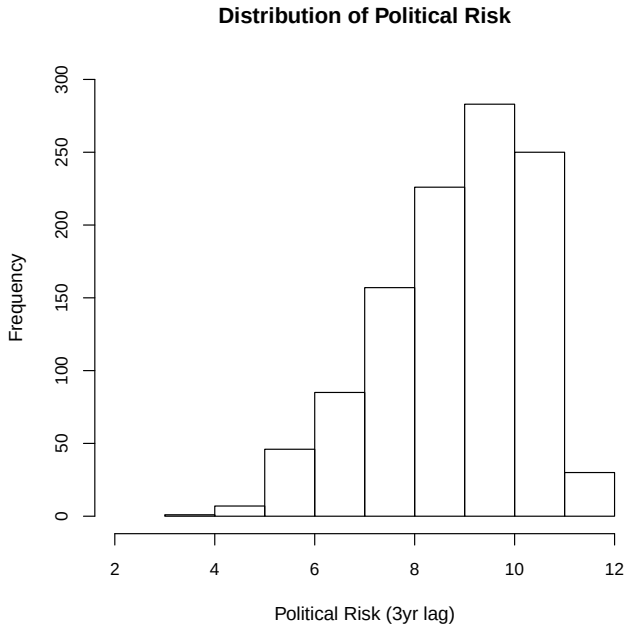

Figure A7: Histogram of political risk variable, 3-year lag.

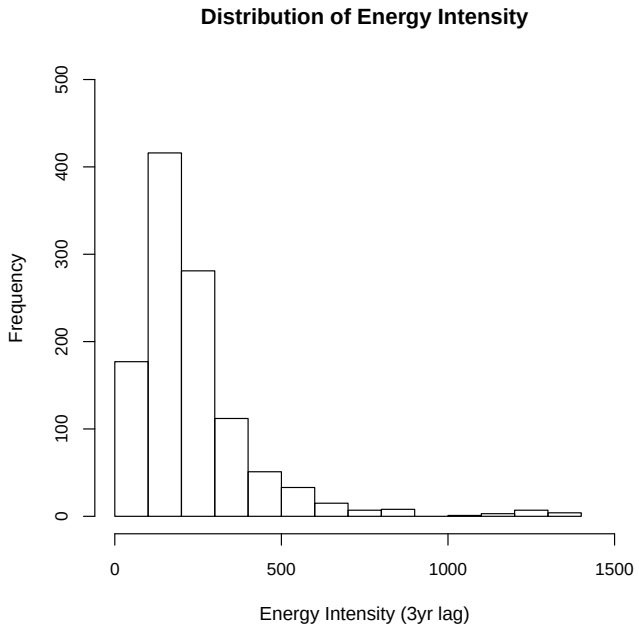

Figure A8: Histogram of energy intensity as kg of oil equivalents per US$ 1,000 GDP (constant 2005 PPP), 3-year lag.

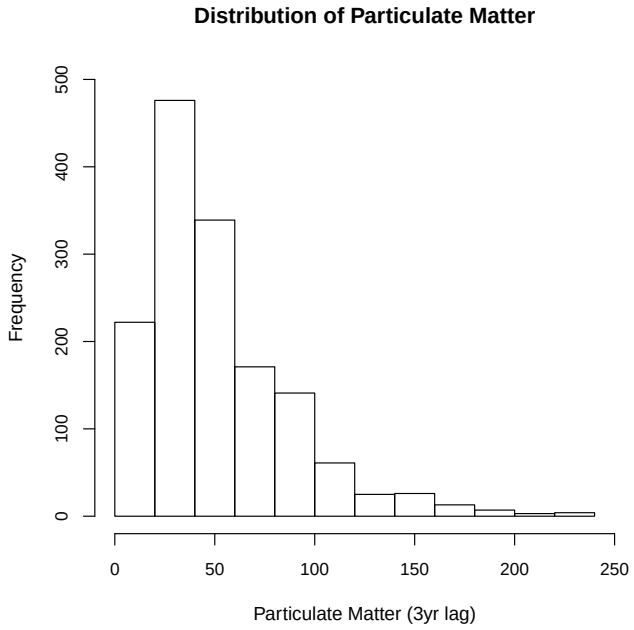

Figure A9: Histogram of urban air pollution as particulate matter in micrograms per m^3, 3-year lag.

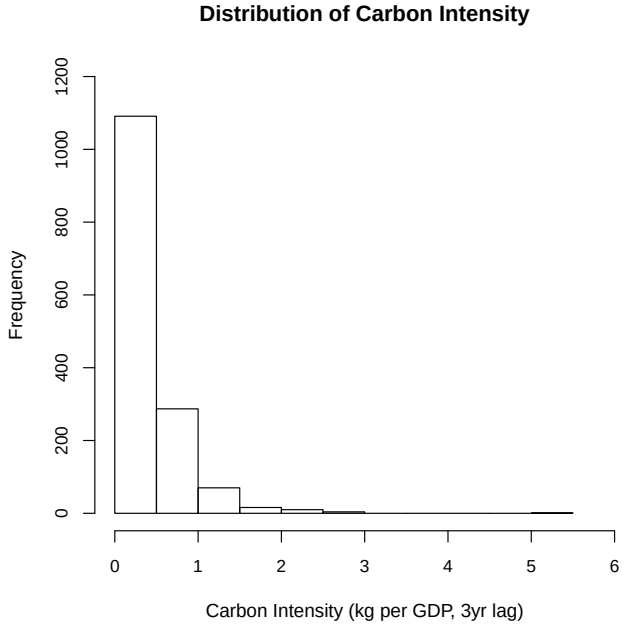

Figure A10: Histogram of CO2 intensity as kg per US$ GDP (constant 2005 PPP), 3-year lag.

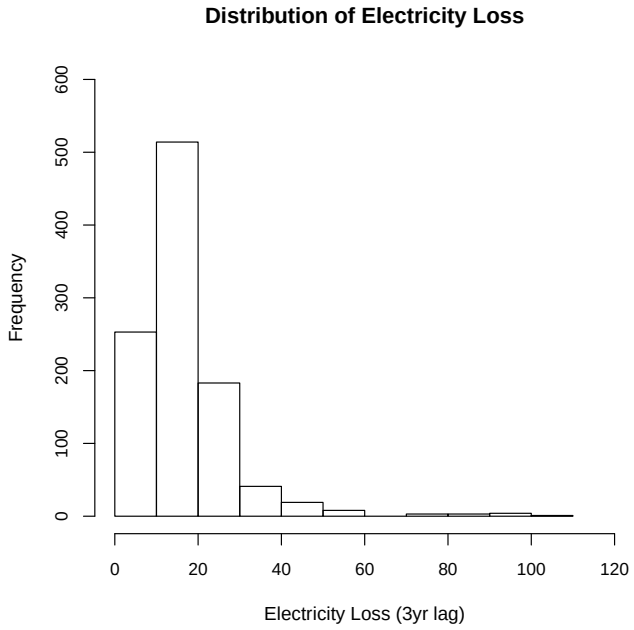

Figure A11: Histogram of electricity loss, 3-year lag.

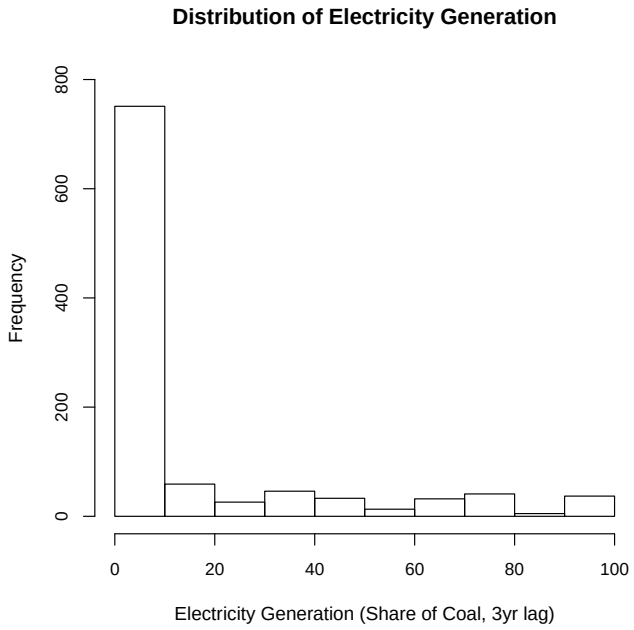

Figure A12: Histogram of electricity generation from coal as % of total, 3-year lag.

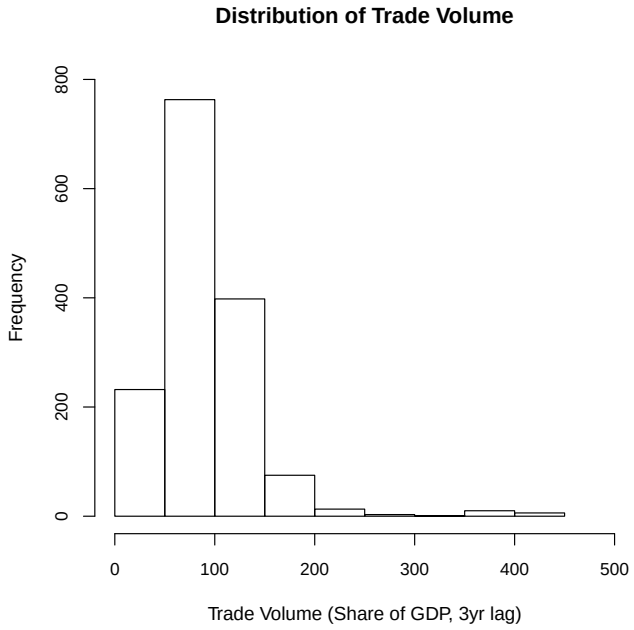

Figure A13: Histogram of trade volume as % of GDP, 3-year lag.

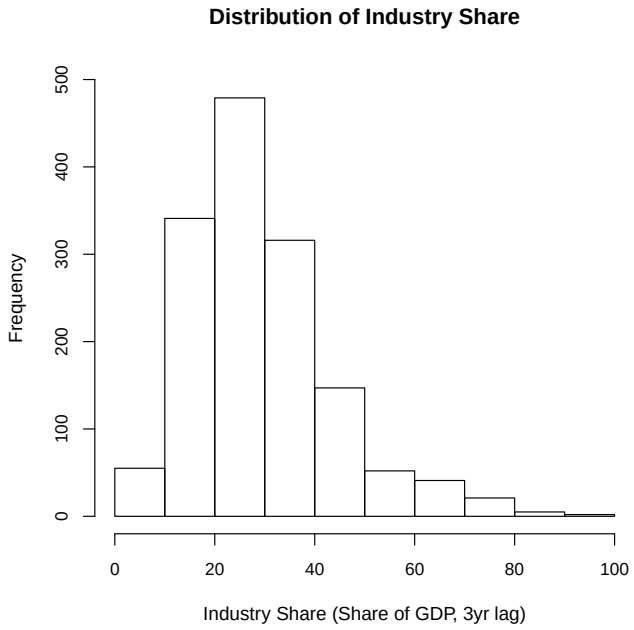

Figure A14: Histogram of industry share as % of GDP, 3-year lag.

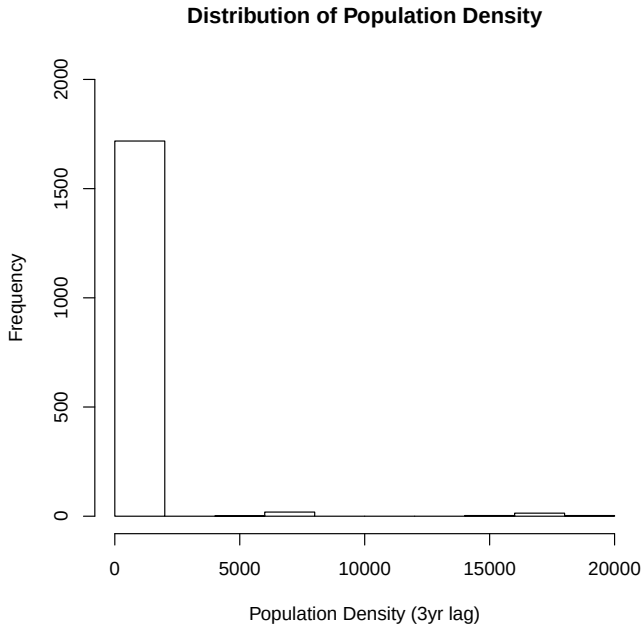

Figure A15: Histogram of population density as people per km^2, 3-year lag.

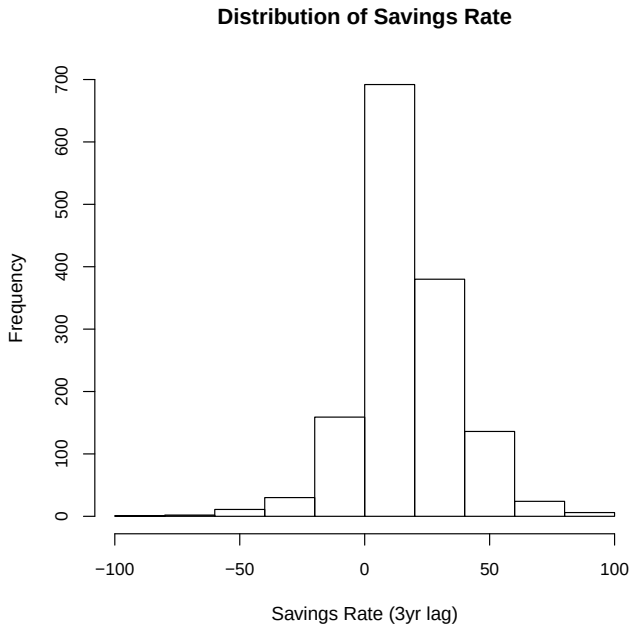

Figure A16: Histogram of domestic savings rate as % of GDP, 3-year lag.

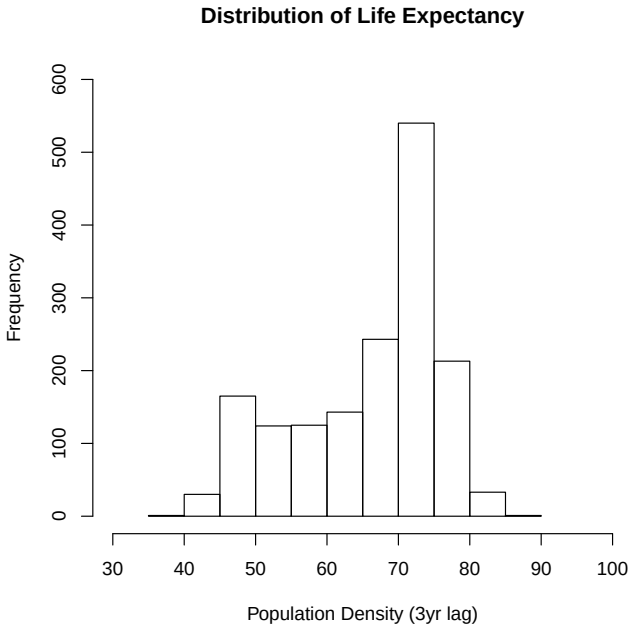

Figure A17: Histogram of life expectancy, 3-year lag.

A2 Summary Statistics and Correlation Matrix

Table A1 shows the summary statistics, and table A2 the correlation matrix of our main data.

Summary statistics

	count	mean	sd	min	max
CDM Count	1050	8.40	65.81	0.00	1357.00
PoA Count	1050	0.74	3.92	0.00	70.00
Population (logged, 3yr lag)	1758	14.97	2.35	9.15	21.01
Income (logged, 3yr lag)	1628	7.75	1.50	4.78	11.98
Urban population (3yr lag)	865	23.00	17.81	3.37	101.78
Corruption (3yr lag)	916	6.64	1.47	0.60	9.00
Democracy (3yr lag)	1412	0.50	0.50	0.00	1.00
Political risk (3yr lag)	1085	8.96	1.54	3.17	12.00
Energy intensity (3yr lag)	1115	236.65	184.85	6.98	1364.22
Particulate matter (3yr lag)	1488	51.75	35.86	5.58	231.80
CO2 intensity (3yr lag)	1479	0.41	0.39	0.02	5.06
Electricity loss (3yr lag)	1029	16.60	11.73	1.14	108.56
Electricity (share of coal, 3yr lag)	1043	14.26	26.43	0.00	100.00
Trade volume (3yr lag)	1501	91.39	49.81	0.31	444.10
Industry share (3yr lag)	1459	29.45	14.22	3.29	94.42
Domestic savings rate (3yr lag)	1441	16.96	19.45	-87.53	89.63
Population density (people / km2, 3yr lag)	1758	403.87	1901.68	0.14	18629.18
Life expectancy (years, 3yr lag)	1618	65.98	10.17	39.73	85.16

Table A1: Summary statistics for CDM and PoAs. Summary statistics are based on the model including all control variables.

Correlation matrix

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
(1) CDM Count	1.000														
(2) PoA Count	0.659***	1.000													
(3) Population (logged, 3yr lag)	0.275***	0.273***	1.000												
(4) Income (logged, 3yr lag)	-0.025	-0.026	-0.473***	1.000											
(5) Urban population (3yr lag)	-0.047	-0.016	-0.372***	0.707***	1.000										
(6) Corruption (3yr lag)	-0.018	-0.040	0.278***	-0.600***	-0.670***	1.000									
(7) Democracy (3yr lag)	-0.014	0.004	-0.218***	0.174***	0.111**	-0.094**	1.000								
(8) Political risk (3yr lag)	0.061	-0.056	-0.118***	0.178***	0.069	-0.216***	-0.407***	1.000							
(9) Energy intensity (3yr lag)	0.023	0.029	0.291***	-0.379***	-0.328***	0.158***	-0.270***	0.015	1.000						
(10) Particulate matter (3yr lag)	0.057	-0.000	0.320***	-0.220***	-0.037	0.077*	-0.155***	0.139***	0.068*	1.000					
(11) CO2 intensity (3yr lag)	0.130***	0.087**	0.130***	0.161***	-0.028	0.067*	-0.138***	0.139***	0.523***	0.043	1.000				
(12) Electricity loss (3yr lag)	-0.053	-0.081*	-0.031	-0.291***	-0.070	0.291***	-0.020	0.035	-0.105**	0.018	-0.174***	1.000			
(13) Electricity (share of coal, 3yr lag)	0.292***	0.257***	0.123***	0.140***	0.061	-0.127***	0.071*	-0.002	-0.055	-0.130***	0.284***	-0.131***	1.000		
(14) Trade volume (3yr lag)	-0.083*	-0.080*	-0.304***	0.406***	0.566***	-0.496***	-0.066*	0.169***	-0.108***	-0.236***	0.070**	-0.095**	0.116***	1.000	
(15) Industry share (3yr lag)	0.090**	0.060	0.276***	0.251***	0.055	0.093**	-0.254***	0.177***	-0.002	0.157***	0.250***	0.006	-0.022	0.117***	1.000
(16) Domestic savings rate (3yr lag)	0.144***	0.085*	0.086**	0.522***	0.322***	-0.194***	-0.140***	0.267***	0.014	0.062*	0.217***	-0.145***	0.043	0.207***	0.618***
(17) Population density (people / km2, 3yr lag)	-0.013	-0.013	-0.150***	0.305***	0.670***	-0.371***	-0.021	0.119***	-0.127***	-0.070**	-0.093***	-0.114***	0.096**	0.427***	-0.134***
(18) Life expectancy (years, 3yr lag)	0.046	-0.014	-0.258***	0.724***	0.507***	-0.429***	0.284***	0.045	-0.362***	-0.138***	0.207***	-0.258***	0.024	0.265***	0.089***

Table A2: Correlation matrix for CDM and PoAs. Correlation matrix is based on the model including all control variables.

A3 Robustness: Exclusion of Years

Tables A3 to A8 show regression results for CDM projects when we exclude all years one-by-one from 2007 to 2012. Similarly, we separately excluded years 2007 to 2012 for PoAs in Tables A9 to A14. Throughout, we find a consistent pattern that mirrors the results we present in the main text. For CDM projects, we find that population always has a strong positive and statistically significant effect on the number of hosted CDM projects, while income seems to have a positive and statistically significant effect only in some models. Therefore, as in the main text, we caution against an over-confident interpretation as to the influence of income. More important, our urban population variable shows virtually no indication of a robust and statistically significant relationship with CDM project allocation, while corruption has a strong and negative effect throughout all models.

For PoAs, we also find strong support that countries with larger populations host more PoAs, while there is no such correlation of PoA project implementation and income. Again, we do not find any statistically significant relationship between our urban population and corruption measure. The empirical support for corruption, however, is again strong and its negative effect is even more important as in the CDM case. Thus, a country's population and the absence of corruption are the strongest determinants of PoA allocation.

Results for CDM projects without 2007 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.722***	0.758***	0.733***	0.933***	0.709***	0.734***	0.746***	0.799***
	(0.111)	(0.105)	(0.112)	(0.117)	(0.110)	(0.127)	(0.123)	(0.108)
Income (logged, 3yr lag)	0.335*	0.316*	0.317*	0.446**	0.072	0.240	0.393**	-0.033
	(0.194)	(0.187)	(0.191)	(0.187)	(0.216)	(0.219)	(0.197)	(0.218)
Urban population (3yr lag)	0.015	-0.011	0.013	0.021	0.026	0.020	0.013	0.035**
	(0.017)	(0.013)	(0.016)	(0.017)	(0.016)	(0.017)	(0.016)	(0.016)
Corruption (3yr lag)	-0.292***	-0.318***	-0.258***	-0.187***	-0.308***	-0.291***	-0.292***	-0.353***
	(0.064)	(0.059)	(0.064)	(0.069)	(0.062)	(0.066)	(0.060)	(0.061)
CDM count (lagged)			0.001					
			(0.000)					
PoA count (lagged)			0.003					
			(0.004)					
Democracy (3yr lag)				0.372*				
				(0.220)				
Political risk (3yr lag)				-0.069*				
				(0.041)				
Energy intensity (3yr lag)					-0.001			
					(0.001)			
Particulate matter (3yr lag)					-0.008*			
					(0.005)			
Electricity loss (3yr lag)						-0.017		
						(0.016)		
Electricity (share of coal, 3yr lag)						-0.007		
						(0.007)		
Trade volume (3yr lag)							-0.003	
							(0.003)	
Industry share (3yr lag)							-0.020	
							(0.016)	
Domestic savings rate (3yr lag)							0.004	
							(0.011)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.048**
								(0.020)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	405	405	405	296	344	361	370	405
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A3: Results from negative binomial count models for CDM projects without 2007 projects.

Results for CDM projects without 2008 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.555***	0.634***	0.618***	0.673***	0.628***	0.639***	0.561***	0.609***
	(0.097)	(0.097)	(0.100)	(0.101)	(0.102)	(0.125)	(0.104)	(0.096)
Income (logged, 3yr lag)	0.438**	0.427**	0.460**	0.476**	0.075	0.393	0.471**	0.084
	(0.205)	(0.202)	(0.198)	(0.211)	(0.242)	(0.241)	(0.201)	(0.239)
Urban population (3yr lag)	-0.002	-0.024*	0.001	0.006	0.016	0.004	-0.002	0.017
	(0.017)	(0.013)	(0.017)	(0.017)	(0.017)	(0.018)	(0.015)	(0.016)
Corruption (3yr lag)	-0.250***	-0.292***	-0.211***	-0.167**	-0.264***	-0.264***	-0.258***	-0.314***
	(0.074)	(0.066)	(0.069)	(0.082)	(0.068)	(0.073)	(0.070)	(0.072)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			0.002					
			(0.004)					
Democracy (3yr lag)				0.548**				
				(0.253)				
Political risk (3yr lag)				-0.021				
				(0.049)				
Energy intensity (3yr lag)					-0.002*			
					(0.001)			
Particulate matter (3yr lag)					-0.014***			
					(0.005)			
CO2 intensity (3yr lag)					-0.300			
					(0.497)			
Electricity loss (3yr lag)						-0.020		
						(0.015)		
Electricity (share of coal, 3yr lag)						-0.011		
						(0.007)		
Trade volume (3yr lag)							-0.006*	
							(0.003)	
Industry share (3yr lag)							-0.023	
							(0.016)	
Domestic savings rate (3yr lag)							0.007	
							(0.012)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.040*
								(0.021)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	402	402	402	295	343	360	367	402
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A4: Results from negative binomial count models for CDM projects without 2008 projects.

Results for CDM projects without 2009 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.575***	0.643***	0.656***	0.704***	0.625***	0.588***	0.564***	0.637***
	(0.099)	(0.097)	(0.104)	(0.101)	(0.105)	(0.123)	(0.107)	(0.097)
Income (logged, 3yr lag)	0.380*	0.391**	0.375**	0.413**	0.007	0.282	0.416**	0.076
	(0.195)	(0.191)	(0.191)	(0.195)	(0.230)	(0.220)	(0.197)	(0.225)
Urban population (3yr lag)	0.008	-0.016	0.011	0.009	0.024	0.014	0.005	0.027*
	(0.016)	(0.013)	(0.016)	(0.016)	(0.017)	(0.017)	(0.015)	(0.015)
Corruption (3yr lag)	-0.249***	-0.284***	-0.210***	-0.178**	-0.274***	-0.257***	-0.250***	-0.308***
	(0.072)	(0.063)	(0.067)	(0.079)	(0.066)	(0.075)	(0.067)	(0.069)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			-0.002					
			(0.005)					
Democracy (3yr lag)				1.042***				
				(0.266)				
Political risk (3yr lag)				-0.025				
				(0.047)				
Energy intensity (3yr lag)					-0.002**			
					(0.001)			
Particulate matter (3yr lag)					-0.010**			
					(0.004)			
CO2 intensity (3yr lag)					-0.226			
					(0.471)			
Electricity loss (3yr lag)						-0.009		
						(0.016)		
Electricity (share of coal, 3yr lag)						-0.005		
						(0.007)		
Trade volume (3yr lag)							-0.006*	
							(0.003)	
Industry share (3yr lag)							-0.026*	
							(0.016)	
Domestic savings rate (3yr lag)							0.014	
							(0.011)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.036*
								(0.021)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	400	400	400	292	341	358	366	400
Countries	85	85	85	77	71	74	79	85

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A5: Results from negative binomial count models for CDM projects without 2009 projects.

Results for CDM projects without 2010 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.530***	0.588***	0.576***	0.642***	0.601***	0.561***	0.541***	0.592***
	(0.101)	(0.100)	(0.105)	(0.108)	(0.107)	(0.125)	(0.109)	(0.100)
Income (logged, 3yr lag)	0.437**	0.481**	0.443**	0.528**	0.212	0.387*	0.457**	0.153
	(0.201)	(0.202)	(0.196)	(0.219)	(0.245)	(0.220)	(0.202)	(0.236)
Urban population (3yr lag)	0.009	-0.017	0.009	0.007	0.024	0.014	0.008	0.027*
	(0.017)	(0.015)	(0.017)	(0.018)	(0.018)	(0.017)	(0.017)	(0.016)
Corruption (3yr lag)	-0.256***	-0.281***	-0.224***	-0.177**	-0.262***	-0.257***	-0.264***	-0.312***
	(0.070)	(0.063)	(0.067)	(0.080)	(0.062)	(0.071)	(0.066)	(0.066)
CDM count (lagged)			0.001**					
			(0.000)					
PoA count (lagged)			0.002					
			(0.005)					
Democracy (3yr lag)				0.585**				
				(0.282)				
Political risk (3yr lag)				-0.011				
				(0.049)				
Energy intensity (3yr lag)					-0.001			
					(0.001)			
Particulate matter (3yr lag)					-0.013***			
					(0.004)			
CO2 intensity (3yr lag)					-0.419			
					(0.472)			
Electricity loss (3yr lag)						-0.016		
						(0.015)		
Electricity (share of coal, 3yr lag)						-0.006		
						(0.007)		
Trade volume (3yr lag)							-0.004	
							(0.004)	
Industry share (3yr lag)							-0.024	
							(0.017)	
Domestic savings rate (3yr lag)							0.011	
							(0.012)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.031
								(0.021)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	401	401	401	294	344	362	365	401
Countries	84	84	84	76	71	75	78	84

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A6: Results from negative binomial count models for CDM projects without 2010 projects.

Results for CDM projects without 2011 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.565***	0.642***	0.615***	0.732***	0.602***	0.636***	0.588***	0.619***
	(0.098)	(0.097)	(0.102)	(0.110)	(0.103)	(0.123)	(0.106)	(0.098)
Income (logged, 3yr lag)	0.420**	0.386*	0.412**	0.568**	0.070	0.362	0.448**	0.102
	(0.207)	(0.204)	(0.202)	(0.237)	(0.250)	(0.238)	(0.203)	(0.243)
Urban population (3yr lag)	0.011	-0.011	0.013	0.022	0.024	0.018	0.009	0.029*
	(0.017)	(0.014)	(0.017)	(0.018)	(0.017)	(0.018)	(0.015)	(0.016)
Corruption (3yr lag)	-0.255***	-0.295***	-0.215***	0.022	-0.273***	-0.278***	-0.273***	-0.320***
	(0.076)	(0.069)	(0.074)	(0.131)	(0.072)	(0.076)	(0.072)	(0.074)
CDM count (lagged)			0.001**					
			(0.000)					
PoA count (lagged)			0.001					
			(0.005)					
Democracy (3yr lag)				0.617**				
				(0.280)				
Political risk (3yr lag)				-0.080				
				(0.050)				
Energy intensity (3yr lag)					-0.002			
					(0.001)			
Particulate matter (3yr lag)					-0.010**			
					(0.005)			
CO2 intensity (3yr lag)					-0.307			
					(0.480)			
Electricity loss (3yr lag)						-0.009		
						(0.015)		
Electricity (share of coal, 3yr lag)						-0.010		
						(0.007)		
Trade volume (3yr lag)							-0.005*	
							(0.003)	
Industry share (3yr lag)							-0.025	
							(0.017)	
Domestic savings rate (3yr lag)							0.003	
							(0.012)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.036*
								(0.021)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	401	401	401	295	344	362	367	401
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A7: Results from negative binomial count models for CDM projects without 2011 projects.

Results for CDM projects without 2012 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.628***	0.705***	0.664***	0.665***	0.682***	0.636***	0.639***	0.689***
	(0.101)	(0.098)	(0.106)	(0.099)	(0.107)	(0.133)	(0.111)	(0.101)
Income (logged, 3yr lag)	0.607***	0.557***	0.589***	0.480**	0.208	0.487**	0.685***	0.289
	(0.219)	(0.209)	(0.217)	(0.202)	(0.263)	(0.246)	(0.225)	(0.258)
Urban population (3yr lag)	0.005	-0.016	0.007	0.015	0.021	0.010	0.001	0.026
	(0.018)	(0.014)	(0.018)	(0.017)	(0.019)	(0.018)	(0.016)	(0.018)
Corruption (3yr lag)	-0.131*	-0.183***	-0.109	-0.144*	-0.156**	-0.135*	-0.143**	-0.193***
	(0.075)	(0.069)	(0.072)	(0.074)	(0.070)	(0.080)	(0.072)	(0.073)
CDM count (lagged)			0.001**					
			(0.000)					
PoA count (lagged)			-0.004					
			(0.012)					
Democracy (3yr lag)				0.540**				
				(0.234)				
Political risk (3yr lag)				-0.044				
				(0.041)				
Energy intensity (3yr lag)					-0.001			
					(0.001)			
Particulate matter (3yr lag)					-0.013***			
					(0.005)			
CO2 intensity (3yr lag)					-0.522			
					(0.510)			
Electricity loss (3yr lag)						-0.022		
						(0.017)		
Electricity (share of coal, 3yr lag)						-0.006		
						(0.008)		
Trade volume (3yr lag)							-0.005	
							(0.003)	
Industry share (3yr lag)							-0.016	
							(0.018)	
Domestic savings rate (3yr lag)							-0.001	
							(0.014)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.032
								(0.022)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	401	401	401	368	344	362	370	401
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A8: Results from negative binomial count models for CDM projects without 2012 projects.

Results for PoAs without 2007 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.807***	0.850***	0.711***	0.769***	0.792***	0.758***	0.922***	0.824***
	(0.114)	(0.097)	(0.135)	(0.094)	(0.086)	(0.128)	(0.140)	(0.116)
Income (logged, 3yr lag)	-0.068	0.144	-0.089	0.023	-0.377**	-0.121	0.174	-0.069
	(0.163)	(0.150)	(0.173)	(0.138)	(0.163)	(0.185)	(0.233)	(0.220)
Urban population (3yr lag)	-0.011	-0.019*	-0.010	-0.005	-0.002	-0.008	-0.010	-0.000
	(0.012)	(0.010)	(0.013)	(0.013)	(0.011)	(0.013)	(0.015)	(0.016)
Corruption (3yr lag)	-0.489***	-0.463***	-0.453***	-0.465***	-0.573***	-0.471***	-0.424***	-0.522***
	(0.124)	(0.103)	(0.132)	(0.116)	(0.104)	(0.131)	(0.145)	(0.129)
CDM count (lagged)			0.003					
			(0.002)					
PoA count (lagged)			-0.006					
			(0.010)					
Democracy (3yr lag)				0.288				
				(0.318)				
Political risk (3yr lag)				-0.114				
				(0.093)				
Energy intensity (3yr lag)					-0.003***			
					(0.001)			
Particulate matter (3yr lag)					-0.006			
					(0.004)			
Electricity loss (3yr lag)						-0.001		
						(0.018)		
Electricity (share of coal, 3yr lag)						0.008		
						(0.006)		
Trade volume (3yr lag)							-0.000	
							(0.003)	
Industry share (3yr lag)							-0.011	
							(0.022)	
Domestic savings rate (3yr lag)							-0.017	
							(0.016)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.010
								(0.021)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	405	405	405	296	344	361	370	405
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of PoA projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A9: Results from negative binomial count models for PoAs without 2007 projects.

Results for PoAs without 2008 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.856***	0.854***	0.766***	0.804***	0.829***	0.802***	0.974***	0.865***
	(0.106)	(0.091)	(0.131)	(0.097)	(0.092)	(0.120)	(0.133)	(0.107)
Income (logged, 3yr lag)	-0.053	0.133	-0.077	0.028	-0.290	-0.115	0.157	-0.097
	(0.152)	(0.141)	(0.162)	(0.141)	(0.197)	(0.175)	(0.224)	(0.209)
Urban population (3yr lag)	-0.008	-0.018*	-0.007	-0.003	-0.002	-0.005	-0.006	-0.000
	(0.012)	(0.010)	(0.012)	(0.013)	(0.011)	(0.012)	(0.014)	(0.016)
Corruption (3yr lag)	-0.461***	-0.440***	-0.428***	-0.433***	-0.528***	-0.432***	-0.383***	-0.485***
	(0.121)	(0.100)	(0.129)	(0.118)	(0.110)	(0.128)	(0.148)	(0.124)
CDM count (lagged)			0.002					
			(0.002)					
PoA count (lagged)			-0.004					
			(0.011)					
Democracy (3yr lag)				0.333				
				(0.333)				
Political risk (3yr lag)				-0.092				
				(0.096)				
Energy intensity (3yr lag)					-0.002***			
					(0.001)			
Particulate matter (3yr lag)					-0.005			
					(0.004)			
CO2 intensity (3yr lag)					-0.384			
					(0.571)			
Electricity loss (3yr lag)						-0.009		
						(0.018)		
Electricity (share of coal, 3yr lag)						0.006		
						(0.006)		
Trade volume (3yr lag)							0.001	
							(0.003)	
Industry share (3yr lag)							-0.006	
							(0.021)	
Domestic savings rate (3yr lag)							-0.017	
							(0.016)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								0.000
								(0.021)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	402	402	402	295	343	360	367	402
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of PoA projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A10: Results from negative binomial count models for PoAs without 2008 projects.

Results for PoAs without 2009 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.828***	0.888***	0.725***	0.750***	0.817***	0.804***	0.929***	0.869***
	(0.120)	(0.107)	(0.143)	(0.104)	(0.095)	(0.133)	(0.154)	(0.123)
Income (logged, 3yr lag)	-0.119	0.125	-0.145	-0.014	-0.370*	-0.132	0.148	-0.127
	(0.172)	(0.163)	(0.183)	(0.145)	(0.210)	(0.192)	(0.258)	(0.239)
Urban population (3yr lag)	-0.012	-0.021*	-0.011	-0.001	-0.004	-0.010	-0.012	0.006
	(0.013)	(0.011)	(0.014)	(0.013)	(0.012)	(0.013)	(0.016)	(0.017)
Corruption (3yr lag)	-0.589***	-0.554***	-0.557***	-0.550***	-0.647***	-0.585***	-0.572***	-0.659***
	(0.132)	(0.115)	(0.138)	(0.128)	(0.120)	(0.139)	(0.158)	(0.141)
CDM count (lagged)			0.003					
			(0.002)					
PoA count (lagged)			-0.002					
			(0.010)					
Democracy (3yr lag)				0.402				
				(0.333)				
Political risk (3yr lag)				-0.125				
				(0.099)				
Energy intensity (3yr lag)					-0.003***			
					(0.001)			
Particulate matter (3yr lag)					-0.007*			
					(0.004)			
CO2 intensity (3yr lag)					-0.278			
					(0.592)			
Electricity loss (3yr lag)						0.004		
						(0.019)		
Electricity (share of coal, 3yr lag)						0.006		
						(0.007)		
Trade volume (3yr lag)							-0.002	
							(0.004)	
Industry share (3yr lag)							-0.019	
							(0.025)	
Domestic savings rate (3yr lag)							-0.013	
							(0.017)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.019
								(0.023)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	400	400	400	292	341	358	366	400
Countries	85	85	85	77	71	74	79	85

Standard errors in parentheses
Dependent variable: Number of PoA projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A11: Results from negative binomial count models for PoAs without 2009 projects.

Results for PoAs without 2010 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.829***	0.832***	0.733***	0.773***	0.791***	0.788***	0.941***	0.840***
	(0.109)	(0.095)	(0.130)	(0.121)	(0.097)	(0.122)	(0.133)	(0.109)
Income (logged, 3yr lag)	-0.089	0.110	-0.119	-0.013	-0.347*	-0.133	0.093	-0.125
	(0.157)	(0.146)	(0.166)	(0.160)	(0.207)	(0.178)	(0.221)	(0.212)
Urban population (3yr lag)	-0.006	-0.018*	-0.005	-0.011	-0.002	-0.005	-0.002	0.001
	(0.013)	(0.010)	(0.013)	(0.016)	(0.012)	(0.013)	(0.014)	(0.016)
Corruption (3yr lag)	-0.451***	-0.427***	-0.421***	-0.415***	-0.537***	-0.442***	-0.382**	-0.475***
	(0.124)	(0.102)	(0.130)	(0.133)	(0.116)	(0.131)	(0.152)	(0.126)
CDM count (lagged)			0.003					
			(0.002)					
PoA count (lagged)			-0.005					
			(0.011)					
Democracy (3yr lag)				0.603				
				(0.391)				
Political risk (3yr lag)				0.005				
				(0.110)				
Energy intensity (3yr lag)					-0.002**			
					(0.001)			
Particulate matter (3yr lag)					-0.003			
					(0.004)			
CO2 intensity (3yr lag)					-0.188			
					(0.581)			
Electricity loss (3yr lag)						0.000		
						(0.018)		
Electricity (share of coal, 3yr lag)						0.006		
						(0.006)		
Trade volume (3yr lag)							0.000	
							(0.003)	
Industry share (3yr lag)							0.000	
							(0.021)	
Domestic savings rate (3yr lag)							-0.019	
							(0.016)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.001
								(0.022)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	401	401	401	294	344	362	365	401
Countries	84	84	84	76	71	75	78	84

Standard errors in parentheses
Dependent variable: Number of PoA projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A12: Results from negative binomial count models for PoAs without 2010 projects.

Results for PoAs without 2011 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.778***	0.782***	0.643***	0.728***	0.721***	0.687***	0.831***	0.796***
	(0.080)	(0.078)	(0.087)	(0.091)	(0.082)	(0.095)	(0.110)	(0.081)
Income (logged, 3yr lag)	0.014	0.234*	-0.001	0.040	-0.347*	-0.052	0.058	0.104
	(0.117)	(0.128)	(0.105)	(0.184)	(0.192)	(0.124)	(0.162)	(0.178)
Urban population (3yr lag)	-0.010	-0.017*	-0.008	-0.003	-0.003	-0.007	-0.003	-0.003
	(0.010)	(0.009)	(0.010)	(0.019)	(0.011)	(0.010)	(0.012)	(0.013)
Corruption (3yr lag)	-0.427***	-0.373***	-0.367***	-0.299*	-0.524***	-0.379***	-0.434***	-0.439***
	(0.104)	(0.098)	(0.098)	(0.157)	(0.110)	(0.111)	(0.121)	(0.104)
Regional Dummy Asia		-0.013						
		(0.302)						
Regional Dummy Europe		-19.958						
		(5950.607)						
CDM count (lagged)			-0.002**					
			(0.001)					
PoA count (lagged)			0.053***					
			(0.009)					
Democracy (3yr lag)				0.403				
				(0.309)				
Energy intensity (3yr lag)					-0.003***			
					(0.001)			
Particulate matter (3yr lag)					-0.003			
					(0.004)			
CO2 intensity (3yr lag)					0.215			
					(0.524)			
Electricity loss (3yr lag)						-0.008		
						(0.015)		
Electricity (share of coal, 3yr lag)						0.007		
						(0.005)		
Trade volume (3yr lag)							-0.001	
							(0.003)	
Industry share (3yr lag)							0.009	
							(0.016)	
Domestic savings rate (3yr lag)							-0.015	
							(0.014)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.019
								(0.018)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	401	401	401	312	344	362	367	401
Countries	85	85	85	82	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of PoA projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A13: Results from negative binomial count models for PoAs without 2011 projects.

Results for PoAs without 2012 projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.840***	0.816***	0.870***	0.807***	0.835***	0.775***	0.999***	0.831***
	(0.105)	(0.106)	(0.156)	(0.099)	(0.112)	(0.121)	(0.138)	(0.106)
Income (logged, 3yr lag)	0.039	0.147	0.012	0.010	-0.230	0.019	0.237	0.035
	(0.140)	(0.162)	(0.185)	(0.141)	(0.240)	(0.147)	(0.205)	(0.206)
Urban population (3yr lag)	-0.014	-0.022*	-0.015	-0.006	-0.005	-0.011	-0.018	-0.025
	(0.012)	(0.012)	(0.015)	(0.014)	(0.014)	(0.012)	(0.016)	(0.017)
Corruption (3yr lag)	-0.480***	-0.431***	-0.487***	-0.467***	-0.488***	-0.427***	-0.371***	-0.474***
	(0.124)	(0.119)	(0.150)	(0.119)	(0.130)	(0.128)	(0.144)	(0.128)
Regional Dummy Asia		-0.249						
		(0.366)						
Regional Dummy Europe		-20.086						
		(6718.152)						
CDM count (lagged)			0.002					
			(0.002)					
PoA count (lagged)			-0.071					
			(0.046)					
Democracy (3yr lag)				0.571**				
				(0.271)				
Energy intensity (3yr lag)					-0.003**			
					(0.001)			
Particulate matter (3yr lag)					-0.008*			
					(0.005)			
CO2 intensity (3yr lag)					-0.468			
					(0.724)			
Electricity loss (3yr lag)						-0.011		
						(0.020)		
Electricity (share of coal, 3yr lag)						0.005		
						(0.005)		
Trade volume (3yr lag)							0.003	
							(0.003)	
Industry share (3yr lag)							-0.003	
							(0.023)	
Domestic savings rate (3yr lag)							-0.022	
							(0.017)	
Population density (people / km2, 3yr lag)								0.000
								(0.000)
Life expectancy (years, 3yr lag)								0.006
								(0.023)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	401	401	401	390	344	362	370	401
Countries	85	85	85	82	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of PoA projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A14: Results from negative binomial count models for PoAs without 2012 projects.

A4 Robustness: CDM Projects Starting 2003

To be able to better compare CDM projects and PoAs, our main analysis focuses on years in which both modalities were active, i.e., 2007-2012. As this could bias our results for CDM projects, however, we re-estimate our main models, starting in 2003. The results are reported in Table A15 and they do not suggest that focusing on the years 2007 to 2012 is problematic in any sense.

A country's population and income per capita still positively and statistically significantly affect CDM project implementation, while higher corruption levels discourage CDM project allocation. Hence, the findings mirror the results we obtain when we focus on project implementation later than 2007. The upside of this is that we can better compare the CDM and PoA modalities, while not biasing our analysis.

Results for CDM projects starting 2003

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.516***	0.598***	0.574***	0.623***	0.592***	0.607***	0.509***	0.555***
	(0.084)	(0.084)	(0.088)	(0.088)	(0.089)	(0.109)	(0.095)	(0.084)
Income (logged, 3yr lag)	0.443**	0.484***	0.435**	0.459**	0.109	0.399*	0.468**	0.254
	(0.185)	(0.185)	(0.181)	(0.190)	(0.223)	(0.210)	(0.190)	(0.221)
Urban population (3yr lag)	0.004	-0.018	0.006	0.009	0.022	0.011	0.001	0.019
	(0.015)	(0.013)	(0.015)	(0.016)	(0.016)	(0.016)	(0.015)	(0.015)
Corruption (3yr lag)	-0.217***	-0.252***	-0.187***	-0.137**	-0.248***	-0.244***	-0.252***	-0.259***
	(0.062)	(0.056)	(0.059)	(0.069)	(0.057)	(0.061)	(0.065)	(0.060)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			0.001					
			(0.004)					
Democracy (3yr lag)				0.680***				
				(0.231)				
Political risk (3yr lag)				-0.049				
				(0.041)				
Energy intensity (3yr lag)					-0.002			
					(0.001)			
Particulate matter (3yr lag)					-0.013***			
					(0.004)			
CO2 intensity (3yr lag)					-0.405			
					(0.445)			
Electricity loss (3yr lag)						-0.016		
						(0.014)		
Electricity (share of coal, 3yr lag)						-0.011*		
						(0.006)		
Trade volume (3yr lag)							-0.005	
							(0.003)	
Industry share (3yr lag)							-0.027*	
							(0.015)	
Domestic savings rate (3yr lag)							0.009	
							(0.011)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.019
								(0.020)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	556	556	556	438	478	503	510	556
Countries	85	85	85	77	71	75	81	85

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A15: Results from negative binomial count models for CDM projects starting 2003.

A5 Robustness: Exclusion of Regions

We also check how sensitive our estimation results are with respect to dropping observations from different regions. In Tables A16 to A19, we exclude all CDM projects that were implemented in Africa, the Americas, Europe, and Oceania, respectively. We cannot exclude CDM projects from Asia as our models do not converge; this is, however, not surprising given that 87% of all CDM projects are implemented in Asia. Generally, our results reflect the findings presented in the main text. Population has a positive and statistically significant effect, while corruption significantly reduces the number of CDM projects. The income coefficient is consistently positive and statistically significant in most cases, but loses statistical significance in most of the models when we exclude African or American projects. Again, this is not surprising given considerable reductions in sample size.

For PoAs, we also exclude regional project implementation. Unfortunately, dropping Asian (427 PoAs out of 777 PoAs, or about 55%) or African projects (252 PoAs out of 777 PoAs, or about 32%) induces estimation instability, so that our models do no longer converge. Therefore, we can only provide full output tables for PoAs when we exclude projects from the Americas (Table A20), Europe (Table A21), and Oceania (Table A22), respectively. Again, the results nicely support our main conclusions. While population and corruption have strong and statistically significant effects as expected, the income variable is virtually never statistically significant, supporting the key finding from the main text. If anything, the urban population coefficient has a negative effect on PoA allocation as shown in most of our models, indicating that PoAs are more common in rural areas.

Results for CDM projects without projects from Africa

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.489***	0.559***	0.533***	0.605***	0.556***	0.615***	0.461***	0.559***
	(0.106)	(0.102)	(0.110)	(0.114)	(0.108)	(0.131)	(0.115)	(0.106)
Income (logged, 3yr lag)	0.299	0.390	0.317	0.449	0.134	0.305	0.279	0.059
	(0.275)	(0.246)	(0.265)	(0.300)	(0.269)	(0.275)	(0.261)	(0.312)
Urban population (3yr lag)	0.013	-0.017	0.013	0.015	0.019	0.018	0.010	0.032*
	(0.019)	(0.015)	(0.019)	(0.020)	(0.019)	(0.019)	(0.018)	(0.018)
Corruption (3yr lag)	-0.242***	-0.267***	-0.207***	-0.110	-0.254***	-0.280***	-0.252***	-0.299***
	(0.076)	(0.068)	(0.072)	(0.085)	(0.068)	(0.071)	(0.073)	(0.073)
CDM count (lagged)			0.001**					
			(0.000)					
PoA count (lagged)			0.002					
			(0.005)					
Democracy (3yr lag)				0.533**				
				(0.271)				
Political risk (3yr lag)				-0.063				
				(0.045)				
Energy intensity (3yr lag)					0.000			
					(0.003)			
Particulate matter (3yr lag)					-0.010*			
					(0.006)			
CO2 intensity (3yr lag)					-0.930			
					(1.100)			
Electricity loss (3yr lag)						0.007		
						(0.019)		
Electricity (share of coal, 3yr lag)						-0.011		
						(0.008)		
Trade volume (3yr lag)							-0.005	
							(0.003)	
Industry share (3yr lag)							-0.005	
							(0.020)	
Domestic savings rate (3yr lag)							0.008	
							(0.013)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.028
								(0.046)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	318	318	318	237	294	312	294	318
Countries	56	56	56	49	51	54	52	56

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A16: Results from negative binomial count models for CDM projects without projects from Africa.

Results for CDM projects without projects from the Americas

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.732***	0.680***	0.780***	0.909***	0.742***	0.617***	0.785***	0.796***
	(0.122)	(0.124)	(0.126)	(0.165)	(0.139)	(0.155)	(0.134)	(0.130)
Income (logged, 3yr lag)	0.262	0.439**	0.268	0.594**	0.109	0.043	0.330	0.099
	(0.201)	(0.219)	(0.198)	(0.242)	(0.281)	(0.234)	(0.231)	(0.259)
Urban population (3yr lag)	0.018	0.000	0.020	0.036	0.030	0.016	0.020	0.042*
	(0.020)	(0.018)	(0.020)	(0.026)	(0.022)	(0.019)	(0.020)	(0.022)
Corruption (3yr lag)	-0.066	-0.076	-0.034	0.272	-0.076	-0.075	0.046	-0.113
	(0.161)	(0.160)	(0.157)	(0.207)	(0.188)	(0.160)	(0.182)	(0.177)
CDM count (lagged)			0.001**					
			(0.000)					
PoA count (lagged)			0.001					
			(0.005)					
Democracy (3yr lag)				0.115				
				(0.249)				
Political risk (3yr lag)				0.052				
				(0.055)				
Energy intensity (3yr lag)					-0.001			
					(0.001)			
Particulate matter (3yr lag)					-0.014**			
					(0.006)			
CO2 intensity (3yr lag)					-0.008			
					(0.500)			
Electricity loss (3yr lag)						-0.038*		
						(0.019)		
Electricity (share of coal, 3yr lag)						0.003		
						(0.008)		
Trade volume (3yr lag)							-0.000	
							(0.004)	
Industry share (3yr lag)							-0.011	
							(0.020)	
Domestic savings rate (3yr lag)							0.003	
							(0.013)	
Population density (people / km2, 3yr lag)								-0.001**
								(0.000)
Life expectancy (years, 3yr lag)								0.015
								(0.023)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	374	374	374	279	312	327	340	374
Countries	65	65	65	58	53	56	60	65

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A17: Results from negative binomial count models for CDM projects without projects from the Americas.

Results for CDM projects without projects from Europe

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.560***	0.648***	0.609***	0.701***	0.631***	0.573***	0.593***	0.624***
	(0.093)	(0.093)	(0.095)	(0.093)	(0.094)	(0.115)	(0.097)	(0.092)
Income (logged, 3yr lag)	0.609***	0.433**	0.609***	0.620***	0.269	0.530**	0.664***	0.312
	(0.187)	(0.194)	(0.182)	(0.180)	(0.220)	(0.206)	(0.182)	(0.216)
Urban population (3yr lag)	-0.006	-0.013	-0.005	-0.001	0.010	-0.002	-0.008	0.013
	(0.016)	(0.014)	(0.015)	(0.014)	(0.016)	(0.016)	(0.014)	(0.015)
Corruption (3yr lag)	-0.218***	-0.273***	-0.185***	-0.143*	-0.246***	-0.217***	-0.226***	-0.277***
	(0.066)	(0.059)	(0.063)	(0.073)	(0.060)	(0.069)	(0.062)	(0.063)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			0.003					
			(0.004)					
Democracy (3yr lag)				0.633***				
				(0.225)				
Political risk (3yr lag)				-0.045				
				(0.041)				
Energy intensity (3yr lag)					-0.001			
					(0.001)			
Particulate matter (3yr lag)					-0.013***			
					(0.004)			
CO2 intensity (3yr lag)					-0.217			
					(0.427)			
Electricity loss (3yr lag)						-0.015		
						(0.014)		
Electricity (share of coal, 3yr lag)						-0.005		
						(0.006)		
Trade volume (3yr lag)							-0.005*	
							(0.003)	
Industry share (3yr lag)							-0.023	
							(0.015)	
Domestic savings rate (3yr lag)							0.004	
							(0.011)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.032*
								(0.019)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	446	446	446	343	382	397	405	446
Countries	79	79	79	72	66	69	73	79

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A18: Results from negative binomial count models for CDM projects without projects from Europe.

Results for CDM projects without projects from Oceania

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.558***	0.624***	0.604***	0.665***	0.604***	0.621***	0.568***	0.616***
	(0.095)	(0.093)	(0.098)	(0.099)	(0.099)	(0.120)	(0.102)	(0.095)
Income (logged, 3yr lag)	0.398**	0.414**	0.395**	0.480**	0.092	0.343	0.446**	0.135
	(0.196)	(0.196)	(0.192)	(0.202)	(0.234)	(0.220)	(0.195)	(0.228)
Urban population (3yr lag)	0.012	-0.013	0.013	0.015	0.026	0.018	0.009	0.029*
	(0.016)	(0.014)	(0.016)	(0.017)	(0.017)	(0.017)	(0.016)	(0.016)
Corruption (3yr lag)	-0.245***	-0.279***	-0.211***	-0.144*	-0.257***	-0.257***	-0.254***	-0.298***
	(0.066)	(0.059)	(0.063)	(0.074)	(0.061)	(0.066)	(0.062)	(0.063)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			0.001					
			(0.004)					
Democracy (3yr lag)				0.540**				
				(0.234)				
Political risk (3yr lag)				-0.044				
				(0.041)				
Energy intensity (3yr lag)					-0.001			
					(0.001)			
Particulate matter (3yr lag)					-0.012***			
					(0.004)			
CO2 intensity (3yr lag)					-0.268			
					(0.460)			
Electricity loss (3yr lag)						-0.014		
						(0.015)		
Electricity (share of coal, 3yr lag)						-0.009		
						(0.007)		
Trade volume (3yr lag)							-0.005	
							(0.003)	
Industry share (3yr lag)							-0.021	
							(0.016)	
Domestic savings rate (3yr lag)							0.007	
							(0.011)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.030
								(0.020)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	482	482	482	368	412	433	441	482
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A19: Results from negative binomial count models for CDM projects without projects from Oceania.

Results for PoAs without projects from the Americas

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.941***	0.940***	0.842***	0.941***	0.916***	0.907***	0.957***	1.012***
	(0.129)	(0.117)	(0.157)	(0.147)	(0.119)	(0.150)	(0.158)	(0.139)
Income (logged, 3yr lag)	-0.114	0.197	-0.150	-0.057	-0.370	-0.166	-0.055	-0.254
	(0.174)	(0.160)	(0.188)	(0.173)	(0.228)	(0.204)	(0.266)	(0.267)
Urban population (3yr lag)	-0.010	-0.018	-0.009	-0.011	-0.000	-0.008	0.004	0.022
	(0.014)	(0.011)	(0.015)	(0.016)	(0.013)	(0.014)	(0.017)	(0.021)
Corruption (3yr lag)	-0.614***	-0.516***	-0.585***	-0.724***	-0.661***	-0.590***	-0.664***	-0.752***
	(0.159)	(0.131)	(0.169)	(0.199)	(0.157)	(0.166)	(0.213)	(0.182)
CDM count (lagged)			0.003					
			(0.002)					
PoA count (lagged)			-0.006					
			(0.010)					
Democracy (3yr lag)				0.493				
				(0.397)				
Political risk (3yr lag)				-0.022				
				(0.111)				
Energy intensity (3yr lag)					-0.003***			
					(0.001)			
Particulate matter (3yr lag)					-0.004			
					(0.005)			
CO2 intensity (3yr lag)					-0.188			
					(0.632)			
Electricity loss (3yr lag)						-0.013		
						(0.023)		
Electricity (share of coal, 3yr lag)						0.007		
						(0.007)		
Trade volume (3yr lag)							-0.006	
							(0.004)	
Industry share (3yr lag)							-0.001	
							(0.025)	
Domestic savings rate (3yr lag)							-0.007	
							(0.018)	
Population density (people / km2, 3yr lag)								-0.000*
								(0.000)
Life expectancy (years, 3yr lag)								-0.013
								(0.023)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	374	374	374	279	312	327	340	374
Countries	65	65	65	58	53	56	60	65

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A20: Results from negative binomial count models for PoAs without projects from the Americas.

Results for PoAs without projects from Europe

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.822***	0.848***	0.756***	0.747***	0.789***	0.738***	0.960***	0.833***
	(0.089)	(0.097)	(0.118)	(0.093)	(0.083)	(0.097)	(0.108)	(0.090)
Income (logged, 3yr lag)	0.130	0.133	0.102	0.166	-0.100	0.084	0.465**	0.194
	(0.130)	(0.149)	(0.142)	(0.142)	(0.183)	(0.136)	(0.184)	(0.183)
Urban population (3yr lag)	-0.019*	-0.019*	-0.018*	-0.016	-0.011	-0.017*	-0.024**	-0.017
	(0.010)	(0.010)	(0.011)	(0.014)	(0.010)	(0.010)	(0.012)	(0.013)
Corruption (3yr lag)	-0.448***	-0.453***	-0.433***	-0.419***	-0.491***	-0.414***	-0.331***	-0.448***
	(0.102)	(0.103)	(0.108)	(0.114)	(0.102)	(0.106)	(0.119)	(0.105)
CDM count (lagged)			0.001					
			(0.002)					
PoA count (lagged)			0.000					
			(0.012)					
Democracy (3yr lag)				0.446				
				(0.308)				
Political risk (3yr lag)				-0.088				
				(0.091)				
Energy intensity (3yr lag)					-0.002**			
					(0.001)			
Particulate matter (3yr lag)					-0.008**			
					(0.004)			
CO2 intensity (3yr lag)					-0.141			
					(0.496)			
Electricity loss (3yr lag)						-0.005		
						(0.016)		
Electricity (share of coal, 3yr lag)						0.008*		
						(0.005)		
Trade volume (3yr lag)							0.002	
							(0.003)	
Industry share (3yr lag)							-0.014	
							(0.017)	
Domestic savings rate (3yr lag)							-0.020	
							(0.013)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.012
								(0.018)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	446	446	446	343	382	397	405	446
Countries	79	79	79	72	66	69	73	79

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A21: Results from negative binomial count models for PoAs without projects from Europe.

Results for PoAs without projects from Oceania

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.805***	0.848***	0.708***	0.775***	0.807***	0.759***	0.916***	0.822***
	(0.114)	(0.097)	(0.134)	(0.096)	(0.092)	(0.128)	(0.140)	(0.116)
Income (logged, 3yr lag)	-0.070	0.133	-0.094	0.002	-0.322	-0.124	0.179	-0.072
	(0.162)	(0.149)	(0.173)	(0.140)	(0.197)	(0.184)	(0.233)	(0.219)
Urban population (3yr lag)	-0.010	-0.019*	-0.009	-0.004	-0.003	-0.007	-0.009	-0.001
	(0.012)	(0.010)	(0.013)	(0.013)	(0.011)	(0.013)	(0.015)	(0.016)
Corruption (3yr lag)	-0.476***	-0.453***	-0.436***	-0.448***	-0.545***	-0.457***	-0.406***	-0.504***
	(0.124)	(0.103)	(0.132)	(0.117)	(0.109)	(0.130)	(0.145)	(0.129)
CDM count (lagged)			0.003*					
			(0.002)					
PoA count (lagged)			-0.007					
			(0.010)					
Democracy (3yr lag)				0.372				
				(0.320)				
Political risk (3yr lag)				-0.092				
				(0.093)				
Energy intensity (3yr lag)					-0.002***			
					(0.001)			
Particulate matter (3yr lag)					-0.005			
					(0.004)			
CO2 intensity (3yr lag)					-0.312			
					(0.559)			
Electricity loss (3yr lag)						-0.002		
						(0.018)		
Electricity (share of coal, 3yr lag)						0.007		
						(0.006)		
Trade volume (3yr lag)							-0.000	
							(0.003)	
Industry share (3yr lag)							-0.013	
							(0.022)	
Domestic savings rate (3yr lag)							-0.016	
							(0.016)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.010
								(0.021)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	482	482	482	368	412	433	441	482
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A22: Results from negative binomial count models for PoAs without projects from Oceania.

A6 Robustness: Exclusion of Top-5 Host Countries

To ensure that our results are not driven by a single country, we exclude China (4,070 projects, 46.1%), India (2,373 projects, 26.9%), Brazil (449 projects, 5.1%), Malaysia (218 projects, 2.5%), and Thailand (210 projects, 2.4%) as the top-5 CDM host countries (7,319 projects, 83.0%). For PoAs, we exclude again the top-5 host countries (380 PoAs, 48.9%), which are China (124 PoAs, 15.9%), South Africa (104 PoAs, 13.4%)[1], India (85 PoAs, 10.9%), Kenya (34 PoAs, 4.4%), and Indonesia (33 PoAs, 4.2%).

From this robustness check, we find that all results hold as presented in the main text. For CDM projects, population, income, and corruption are the most reliable predictors for CDM project allocation, while income is the weakest predictor and often not statistically significant. Given the strong concentration of CDM projects in the top-5 CDM hosts, attenuation of statistical significance is not surprising. When analyzing PoAs, we find that population and corruption are the key predictors. In contrast to CDM projects, corruption exercises a stronger effect and the income coefficient seems not to affect PoA allocation. Most importantly though, excluding top-5 host countries one-by-one does not change any of our substantive results.

[1] In order to induce estimation stability for Model (2), we use Asia and Oceania as the baseline for regional fixed effects.

Results for CDM projects without projects in China

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.575***	0.641***	0.583***	0.717***	0.544***	0.606***	0.628***	0.661***
	(0.109)	(0.105)	(0.121)	(0.123)	(0.108)	(0.123)	(0.125)	(0.107)
Income (logged, 3yr lag)	0.357*	0.371*	0.354*	0.424**	0.037	0.260	0.424**	0.037
	(0.194)	(0.190)	(0.194)	(0.196)	(0.229)	(0.217)	(0.195)	(0.218)
Urban population (3yr lag)	0.012	-0.012	0.013	0.017	0.024	0.019	0.010	0.031**
	(0.016)	(0.014)	(0.017)	(0.017)	(0.017)	(0.017)	(0.016)	(0.016)
Corruption (3yr lag)	-0.231***	-0.260***	-0.233***	-0.125*	-0.255***	-0.229***	-0.233***	-0.280***
	(0.065)	(0.059)	(0.065)	(0.073)	(0.063)	(0.068)	(0.063)	(0.062)
CDM count (lagged)			-0.000					
			(0.001)					
PoA count (lagged)			-0.002					
			(0.007)					
Democracy (3yr lag)				0.527**				
				(0.233)				
Political risk (3yr lag)				-0.063				
				(0.040)				
Energy intensity (3yr lag)					-0.002			
					(0.001)			
Particulate matter (3yr lag)					-0.012***			
					(0.004)			
CO2 intensity (3yr lag)					-0.213			
					(0.489)			
Electricity loss (3yr lag)						-0.021		
						(0.015)		
Electricity (share of coal, 3yr lag)						-0.007		
						(0.007)		
Trade volume (3yr lag)							-0.002	
							(0.003)	
Industry share (3yr lag)							-0.013	
							(0.017)	
Domestic savings rate (3yr lag)							-0.005	
							(0.012)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.041**
								(0.020)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A23: Results from negative binomial count models for CDM projects without projects in China.

Results for CDM projects without projects in India

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.558***	0.626***	0.680***	0.755***	0.657***	0.610***	0.609***	0.613***
	(0.112)	(0.107)	(0.123)	(0.126)	(0.119)	(0.129)	(0.120)	(0.110)
Income (logged, 3yr lag)	0.401**	0.416**	0.369*	0.480**	0.087	0.360	0.438**	0.120
	(0.196)	(0.197)	(0.192)	(0.198)	(0.235)	(0.221)	(0.193)	(0.227)
Urban population (3yr lag)	0.012	-0.013	0.016	0.015	0.028*	0.018	0.010	0.029*
	(0.017)	(0.014)	(0.016)	(0.017)	(0.017)	(0.017)	(0.016)	(0.015)
Corruption (3yr lag)	-0.263***	-0.294***	-0.235***	-0.202***	-0.271***	-0.265***	-0.276***	-0.316***
	(0.067)	(0.061)	(0.061)	(0.073)	(0.061)	(0.067)	(0.061)	(0.064)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			0.002					
			(0.004)					
Democracy (3yr lag)				0.520**				
				(0.225)				
Political risk (3yr lag)				-0.038				
				(0.040)				
Energy intensity (3yr lag)					-0.002			
					(0.001)			
Particulate matter (3yr lag)					-0.013***			
					(0.004)			
CO2 intensity (3yr lag)					-0.316			
					(0.465)			
Electricity loss (3yr lag)						-0.020		
						(0.015)		
Electricity (share of coal, 3yr lag)						-0.011*		
						(0.006)		
Trade volume (3yr lag)							-0.005*	
							(0.003)	
Industry share (3yr lag)							-0.024	
							(0.016)	
Domestic savings rate (3yr lag)							0.010	
							(0.012)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.032
								(0.020)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A24: Results from negative binomial count models for CDM projects without projects in India.

Results for CDM projects without projects in Brazil

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.596***	0.650***	0.652***	0.711***	0.627***	0.596***	0.689***	0.647***
	(0.112)	(0.108)	(0.114)	(0.120)	(0.118)	(0.148)	(0.126)	(0.113)
Income (logged, 3yr lag)	0.464**	0.500**	0.456**	0.611***	0.214	0.388*	0.573***	0.244
	(0.190)	(0.202)	(0.187)	(0.219)	(0.256)	(0.220)	(0.197)	(0.234)
Urban population (3yr lag)	0.019	-0.005	0.021	0.022	0.028	0.022	0.020	0.034*
	(0.018)	(0.015)	(0.018)	(0.019)	(0.018)	(0.018)	(0.017)	(0.017)
Corruption (3yr lag)	-0.022	-0.094	0.009	0.105	-0.105	-0.034	0.052	-0.085
	(0.113)	(0.115)	(0.112)	(0.138)	(0.125)	(0.116)	(0.122)	(0.118)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			0.002					
			(0.004)					
Democracy (3yr lag)				0.424*				
				(0.236)				
Political risk (3yr lag)				-0.012				
				(0.044)				
Energy intensity (3yr lag)					-0.001			
					(0.001)			
Particulate matter (3yr lag)					-0.010**			
					(0.005)			
CO2 intensity (3yr lag)					-0.379			
					(0.472)			
Electricity loss (3yr lag)						-0.012		
						(0.015)		
Electricity (share of coal, 3yr lag)						-0.004		
						(0.007)		
Trade volume (3yr lag)							-0.002	
							(0.003)	
Industry share (3yr lag)							-0.032*	
							(0.017)	
Domestic savings rate (3yr lag)							0.006	
							(0.011)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.025
								(0.022)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A25: Results from negative binomial count models for CDM projects without projects in Brazil.

Results for CDM projects without projects in Malaysia

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.791***	0.749***	0.891***	0.847***	0.712***	0.781***	0.840***	0.792***
	(0.087)	(0.088)	(0.094)	(0.082)	(0.098)	(0.106)	(0.099)	(0.084)
Income (logged, 3yr lag)	0.397**	0.270*	0.495***	0.441***	0.151	0.401**	0.413**	0.111
	(0.161)	(0.161)	(0.168)	(0.149)	(0.197)	(0.199)	(0.174)	(0.178)
Urban population (3yr lag)	-0.003	-0.014	-0.006	-0.004	-0.005	-0.008	-0.002	-0.006
	(0.009)	(0.010)	(0.010)	(0.009)	(0.011)	(0.011)	(0.010)	(0.009)
Corruption (3yr lag)	-0.073	-0.123	-0.066	-0.042	-0.079	-0.096	-0.091	-0.131
	(0.083)	(0.080)	(0.077)	(0.080)	(0.085)	(0.088)	(0.089)	(0.080)
CDM count (lagged)			-0.001**					
			(0.000)					
PoA count (lagged)			0.008*					
			(0.005)					
Democracy (3yr lag)				0.724***				
				(0.196)				
Political risk (3yr lag)				-0.027				
				(0.038)				
Energy intensity (3yr lag)					-0.002**			
					(0.001)			
Particulate matter (3yr lag)					0.003			
					(0.005)			
Energy loss (3yr lag)						-0.000		
						(0.012)		
Electricity (share of coal, 3yr lag)						-0.008		
						(0.006)		
Trade volume (logged, 3yr lag)							0.221	
							(0.268)	
Industry share (3yr lag)							-0.029***	
							(0.011)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								0.064***
								(0.018)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	516	516	516	511	414	440	443	516

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A26: Results from negative binomial count models for CDM projects without projects in Malaysia.

Results for CDM projects without projects in Thailand

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.551***	0.624***	0.601***	0.657***	0.596***	0.608***	0.553***	0.609***
	(0.095)	(0.094)	(0.098)	(0.099)	(0.099)	(0.121)	(0.103)	(0.095)
Income (logged, 3yr lag)	0.336*	0.357*	0.356*	0.496**	-0.001	0.290	0.388**	0.075
	(0.203)	(0.201)	(0.200)	(0.203)	(0.233)	(0.231)	(0.197)	(0.231)
Urban population (3yr lag)	0.017	-0.009	0.016	0.003	0.032*	0.022	0.013	0.034**
	(0.017)	(0.014)	(0.017)	(0.017)	(0.017)	(0.017)	(0.016)	(0.016)
Corruption (3yr lag)	-0.247***	-0.281***	-0.212***	-0.172**	-0.260***	-0.259***	-0.261***	-0.300***
	(0.066)	(0.060)	(0.063)	(0.074)	(0.061)	(0.066)	(0.062)	(0.064)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			0.001					
			(0.004)					
Democracy (3yr lag)				1.118***				
				(0.298)				
Political risk (3yr lag)				-0.004				
				(0.046)				
Energy intensity (3yr lag)					-0.002			
					(0.001)			
Particulate matter (3yr lag)					-0.013***			
					(0.004)			
CO2 intensity (3yr lag)					-0.239			
					(0.460)			
Electricity loss (3yr lag)						-0.012		
						(0.015)		
Electricity (share of coal, 3yr lag)						-0.008		
						(0.007)		
Trade volume (3yr lag)							-0.006**	
							(0.003)	
Industry share (3yr lag)							-0.025	
							(0.016)	
Domestic savings rate (3yr lag)							0.008	
							(0.011)	
Population density (people / km2, 3yr lag)								-0.001***
								(0.000)
Life expectancy (years, 3yr lag)								0.029
								(0.020)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A27: Results from negative binomial count models for CDM projects without projects in Thailand.

Results for PoAs without projects in China

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.789***	0.849***	0.736***	0.742***	0.772***	0.754***	0.919***	0.803***
	(0.128)	(0.111)	(0.147)	(0.115)	(0.100)	(0.139)	(0.155)	(0.130)
Income (logged, 3yr lag)	-0.082	0.123	-0.085	-0.016	-0.323	-0.139	0.196	-0.089
	(0.167)	(0.156)	(0.177)	(0.145)	(0.202)	(0.191)	(0.238)	(0.224)
Urban population (3yr lag)	-0.009	-0.018*	-0.007	-0.004	-0.003	-0.005	-0.009	0.000
	(0.013)	(0.011)	(0.014)	(0.014)	(0.011)	(0.013)	(0.015)	(0.017)
Corruption (3yr lag)	-0.463***	-0.446***	-0.416***	-0.448***	-0.533***	-0.438***	-0.381**	-0.491***
	(0.127)	(0.106)	(0.134)	(0.119)	(0.111)	(0.134)	(0.149)	(0.132)
CDM count (lagged)			0.006					
			(0.004)					
PoA count (lagged)			-0.017					
			(0.017)					
Democracy (3yr lag)				0.400				
				(0.321)				
Political risk (3yr lag)				-0.109				
				(0.099)				
Energy intensity (3yr lag)					-0.002***			
					(0.001)			
Particulate matter (3yr lag)					-0.005			
					(0.004)			
CO2 intensity (3yr lag)					-0.427			
					(0.594)			
Electricity loss (3yr lag)						-0.004		
						(0.019)		
Electricity (share of coal, 3yr lag)						0.007		
						(0.006)		
Trade volume (3yr lag)							0.001	
							(0.003)	
Industry share (3yr lag)							-0.011	
							(0.022)	
Domestic savings rate (3yr lag)							-0.021	
							(0.016)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.008
								(0.022)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A28: Results from negative binomial count models for PoAs without projects in China.

Results for PoAs without projects in South Africa

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.796***	0.727***	0.659***	0.727***	0.814***	0.819***	0.892***	0.786***
	(0.107)	(0.051)	(0.134)	(0.076)	(0.081)	(0.119)	(0.132)	(0.103)
Income (logged, 3yr lag)	-0.109	0.091	-0.142	-0.000	-0.236	-0.091	0.087	-0.306
	(0.153)	(0.105)	(0.170)	(0.133)	(0.181)	(0.169)	(0.223)	(0.212)
Urban population (3yr lag)	-0.009	-0.019**	-0.009	-0.005	-0.007	-0.008	-0.009	-0.004
	(0.012)	(0.008)	(0.013)	(0.013)	(0.010)	(0.012)	(0.014)	(0.015)
Corruption (3yr lag)	-0.464***	-0.404***	-0.419***	-0.386***	-0.508***	-0.459***	-0.384***	-0.489***
	(0.119)	(0.080)	(0.131)	(0.114)	(0.101)	(0.121)	(0.145)	(0.118)
CDM count (lagged)			0.004*					
			(0.002)					
PoA count (lagged)			-0.012					
			(0.010)					
Democracy (3yr lag)				0.496				
				(0.319)				
Political risk (3yr lag)				-0.025				
				(0.096)				
Energy intensity (3yr lag)					-0.002***			
					(0.001)			
Particulate matter (3yr lag)					-0.003			
					(0.003)			
CO2 intensity (3yr lag)					-0.879			
					(0.581)			
Electricity loss (3yr lag)						-0.003		
						(0.017)		
Electricity (share of coal, 3yr lag)						-0.002		
						(0.007)		
Trade volume (3yr lag)							0.001	
							(0.003)	
Industry share (3yr lag)							-0.009	
							(0.021)	
Domestic savings rate (3yr lag)							-0.013	
							(0.016)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								0.028
								(0.022)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A29: Results from negative binomial count models for PoAs without projects in South Africa.

Results for PoAs without projects in India

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.801***	0.864***	0.741***	0.836***	0.831***	0.763***	0.938***	0.823***
	(0.128)	(0.111)	(0.140)	(0.113)	(0.100)	(0.142)	(0.155)	(0.130)
Income (logged, 3yr lag)	-0.070	0.130	-0.090	-0.016	-0.345*	-0.125	0.224	-0.062
	(0.168)	(0.156)	(0.172)	(0.148)	(0.203)	(0.191)	(0.245)	(0.227)
Urban population (3yr lag)	-0.010	-0.019*	-0.009	-0.005	-0.003	-0.007	-0.011	0.001
	(0.013)	(0.011)	(0.013)	(0.014)	(0.011)	(0.013)	(0.016)	(0.017)
Corruption (3yr lag)	-0.480***	-0.463***	-0.452***	-0.480***	-0.564***	-0.466***	-0.412***	-0.514***
	(0.128)	(0.108)	(0.132)	(0.123)	(0.114)	(0.136)	(0.149)	(0.134)
CDM count (lagged)			0.002					
			(0.002)					
PoA count (lagged)			-0.003					
			(0.010)					
Democracy (3yr lag)				0.438				
				(0.327)				
Political risk (3yr lag)				-0.114				
				(0.095)				
Energy intensity (3yr lag)					-0.003***			
					(0.001)			
Particulate matter (3yr lag)					-0.006			
					(0.004)			
CO2 intensity (3yr lag)					-0.291			
					(0.580)			
Electricity loss (3yr lag)						0.000		
						(0.019)		
Electricity (share of coal, 3yr lag)						0.008		
						(0.007)		
Trade volume (3yr lag)							-0.000	
							(0.003)	
Industry share (3yr lag)							-0.019	
							(0.024)	
Domestic savings rate (3yr lag)							-0.016	
							(0.017)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.013
								(0.022)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A30: Results from negative binomial count models for PoAs without projects in India.

Results for PoAs without projects in Kenya

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.820***	0.842***	0.711***	0.789***	0.806***	0.777***	0.917***	0.835***
	(0.109)	(0.088)	(0.132)	(0.094)	(0.086)	(0.121)	(0.134)	(0.110)
Income (logged, 3yr lag)	-0.048	0.139	-0.074	0.024	-0.304	-0.089	0.134	-0.086
	(0.155)	(0.138)	(0.168)	(0.139)	(0.187)	(0.174)	(0.223)	(0.210)
Urban population (3yr lag)	-0.010	-0.019**	-0.009	-0.004	-0.003	-0.007	-0.007	0.001
	(0.012)	(0.009)	(0.013)	(0.013)	(0.010)	(0.012)	(0.014)	(0.016)
Corruption (3yr lag)	-0.488***	-0.463***	-0.446***	-0.458***	-0.563***	-0.469***	-0.441***	-0.521***
	(0.120)	(0.096)	(0.129)	(0.115)	(0.105)	(0.125)	(0.142)	(0.123)
CDM count (lagged)			0.003*					
			(0.002)					
PoA count (lagged)			-0.007					
			(0.010)					
Democracy (3yr lag)				0.304				
				(0.321)				
Political risk (3yr lag)				-0.087				
				(0.094)				
Energy intensity (3yr lag)					-0.003***			
					(0.001)			
Particulate matter (3yr lag)					-0.004			
					(0.004)			
CO2 intensity (3yr lag)					-0.133			
					(0.536)			
Electricity loss (3yr lag)						-0.001		
						(0.018)		
Electricity (share of coal, 3yr lag)						0.007		
						(0.006)		
Trade volume (3yr lag)							-0.000	
							(0.003)	
Industry share (3yr lag)							-0.004	
							(0.022)	
Domestic savings rate (3yr lag)							-0.016	
							(0.016)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.004
								(0.021)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A31: Results from negative binomial count models for PoAs without projects in Kenya.

Results for PoAs without projects in Indonesia

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.796***	0.847***	0.710***	0.768***	0.798***	0.748***	0.894***	0.812***
	(0.121)	(0.105)	(0.140)	(0.099)	(0.096)	(0.136)	(0.146)	(0.123)
Income (logged, 3yr lag)	-0.061	0.134	-0.088	-0.010	-0.327	-0.118	0.184	-0.063
	(0.170)	(0.159)	(0.177)	(0.145)	(0.204)	(0.194)	(0.240)	(0.228)
Urban population (3yr lag)	-0.011	-0.019*	-0.010	-0.003	-0.003	-0.008	-0.010	-0.001
	(0.013)	(0.011)	(0.013)	(0.014)	(0.011)	(0.013)	(0.015)	(0.017)
Corruption (3yr lag)	-0.475***	-0.456***	-0.438***	-0.448***	-0.547***	-0.455***	-0.408***	-0.505***
	(0.128)	(0.109)	(0.134)	(0.119)	(0.112)	(0.136)	(0.149)	(0.134)
CDM count (lagged)			0.003					
			(0.002)					
PoA count (lagged)			-0.006					
			(0.010)					
Democracy (3yr lag)				0.384				
				(0.330)				
Political risk (3yr lag)				-0.090				
				(0.094)				
Energy intensity (3yr lag)					-0.002***			
					(0.001)			
Particulate matter (3yr lag)					-0.006			
					(0.004)			
CO2 intensity (3yr lag)					-0.324			
					(0.573)			
Electricity loss (3yr lag)						-0.002		
						(0.019)		
Electricity (share of coal, 3yr lag)						0.008		
						(0.006)		
Trade volume (3yr lag)							-0.000	
							(0.003)	
Industry share (3yr lag)							-0.015	
							(0.023)	
Domestic savings rate (3yr lag)							-0.013	
							(0.017)	
Population density (people / km2, 3yr lag)								-0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.011
								(0.022)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	476	476	476	363	406	427	435	476
Countries	84	84	84	76	70	74	78	84

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A32: Results from negative binomial count models for PoAs without projects in Indonesia.

A7 Robustness: Controlling for Foreign Aid Inflows

To test the robustness of our results against foreign aid inflows, we re-estimate our main models while including official development aid (ODA) data as additional controls. We use ODA data from the *World Development Indicators* and standardize our variables relative to total population and GDP, respectively, to mitigate against scale effects. As with most of our other explanatory variables, we logarithmize our measures for foreign aid inflows and lag them by three years.

Tables A33 and A34 present the estimation results for four different models. This additional check generally speaks to the robustness of our findings. For the CDM sample, population and corruption are the key determinants for project allocation. The income variable is still positive throughout all models, but lacks statistical significance at conventional levels. Interestingly, ODA control variable are always negative, suggesting that CDM projects are less frequent in countries with large levels of official development aid.

For PoA counts, population and corruption continue to highly affect PoA allocation. When controlling for ODA, though, the income effect becomes stronger and positive. This is not too surprising given the strongly positive and always statistically significant effect of ODA. The more development aid a country receives, the more PoAs are implemented in this country. Hence, once we account for foreign aid inflows, income becomes again a stronger predictor for PoA allocation. By and large, these results are similar to the ones presented in the main text.

Results for CDM projects with foreign aid inflow controls

	(1) Model	(2) Model	(3) Model	(4) Model
Population (logged, 3yr lag)	0.544***	0.626***	0.538***	0.620***
	(0.103)	(0.102)	(0.103)	(0.102)
Income (logged, 3yr lag)	0.298	0.301	0.186	0.225
	(0.202)	(0.207)	(0.229)	(0.231)
Urban population (3yr lag)	0.018	-0.009	0.017	-0.010
	(0.017)	(0.015)	(0.017)	(0.015)
Corruption (3yr lag)	-0.278***	-0.299***	-0.288***	-0.305***
	(0.064)	(0.060)	(0.064)	(0.059)
Foreign aid per capita (logged, 3yr lag)	-0.111	-0.059		
	(0.068)	(0.073)		
Foreign aid per GDP (logged, 3yr lag)			-0.115*	-0.072
			(0.066)	(0.071)
Year Effects	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	Yes
Observations	430	430	429	429
Countries	83	83	83	83

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A33: Results from negative binomial count models for CDM projects with ODA controls.

Results for PoAs with foreign aid inflow controls

	(1) Model	(2) Model	(3) Model	(4) Model
Population (logged, 3yr lag)	0.977***	1.015***	1.020***	1.051***
	(0.137)	(0.136)	(0.131)	(0.130)
Income (logged, 3yr lag)	0.092	0.218	0.476	0.640**
	(0.201)	(0.199)	(0.291)	(0.286)
Urban population (3yr lag)	0.008	-0.005	0.006	-0.007
	(0.017)	(0.017)	(0.016)	(0.016)
Corruption (3yr lag)	-0.451***	-0.419***	-0.444***	-0.413***
	(0.115)	(0.109)	(0.109)	(0.104)
Foreign aid per capita (logged, 3yr lag)	0.232*	0.274**		
	(0.137)	(0.140)		
Foreign aid per GDP (logged, 3yr lag)			0.297**	0.340**
			(0.136)	(0.138)
Year Effects	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	Yes
Observations	430	430	429	429
Countries	83	83	83	83

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A34: Results from negative binomial count models for PoAs with ODA controls.

A8 Robustness: Estimations for Small CDM Projects

By and large, PoAs are smaller than CDM projects. As another robustness check, we re-estimate our CDM regression models for small CDM projects only, which account for about 41% of all CDM projects. In accordance with UNFCCC practice, we classify all CDM projects as small which use approved small scale methodologies[2] and are denoted as "AMS" technologies in the CDM/JI Pipeline database. For those small projects, as in our main analysis, we create our dependent count variable by summing projects separately over years and countries.

Table A35 shows estimation results when we run our negative binomial models for small CDM projects only. It is notable that even though we only consider small CDM projects, which are most similar to PoAs, we continue to find the effects which we report in the main text for the full CDM sample. In particular, the positive income per capita effect is strong and statistically significant in six out of eight models. Hence, most interestingly the income effect which we find for CDM projects seems not to be driven by project size, but rather by the design of the CDM modality itself. This lends additional support to our argument about the different determinants of CDM and PoA allocation.

[2]See `http://cdm.unfccc.int/methodologies/SSCmethodologies/approved` for approved small scale methodologies under the CDM regulations. Accessed on April 4, 2013.

Results for small CDM projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.671***	0.687***	0.649***	0.817***	0.672***	0.593***	0.693***	0.732***
	(0.104)	(0.105)	(0.108)	(0.116)	(0.106)	(0.126)	(0.126)	(0.102)
Income (logged, 3yr lag)	0.586***	0.421**	0.590***	0.780***	0.196	0.455*	0.493**	0.055
	(0.224)	(0.214)	(0.221)	(0.244)	(0.257)	(0.251)	(0.245)	(0.246)
Urban population (3yr lag)	-0.008	-0.022	-0.008	-0.001	0.004	-0.004	-0.002	0.010
	(0.017)	(0.014)	(0.017)	(0.017)	(0.017)	(0.017)	(0.019)	(0.017)
Corruption (3yr lag)	-0.303***	-0.364***	-0.285***	-0.118	-0.339***	-0.254**	-0.272***	-0.379***
	(0.088)	(0.083)	(0.090)	(0.095)	(0.088)	(0.100)	(0.094)	(0.088)
CDM count (lagged)			0.002					
			(0.001)					
PoA count (lagged)			-0.003					
			(0.006)					
Democracy (3yr lag)				0.717***				
				(0.272)				
Political risk (3yr lag)				-0.092*				
				(0.050)				
Energy intensity (3yr lag)					-0.003**			
					(0.001)			
Particulate matter (3yr lag)					-0.007			
					(0.005)			
CO2 intensity (3yr lag)					0.169			
					(0.595)			
Electricity loss (3yr lag)						-0.027		
						(0.019)		
Electricity (share of coal, 3yr lag)						0.006		
						(0.008)		
Trade volume (3yr lag)							0.003	
							(0.004)	
Industry share (3yr lag)							-0.005	
							(0.021)	
Domestic savings rate (3yr lag)							0.006	
							(0.014)	
Population density (people / km2, 3yr lag)								-0.001**
								(0.000)
Life expectancy (years, 3yr lag)								0.076***
								(0.022)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	482	482	482	368	412	433	441	482
Countries	85	85	85	77	71	75	79	85

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A35: Results from negative binomial count models for small CDM projects.

A9 Robustness: Zero-Inflation Models

Since our panel dataset contains a large number of zero project counts, we estimate zero-inflation models as robustness check. For this, we use lagged project counts for CDM projects (CDM sample) and PoAs (PoA sample) as well as a linear time trend as inflation variables. As Tables A36 and A37 show both variables turn out to be statistically significant in most of our models, thereby justifying their use at the inflation stage.

Once zero-inflation models are used, all four key independent variables become statistically significant for CDM projects, with the coefficients correctly signed as expected. Larger and richer countries attract more CDM projects, while largely urban and highly corrupt host countries discourage CDM allocation. For PoAs, the estimation results point in a similar direction as reported in the main text. While large populations are important to attract PoAs, the corruption coefficient is consistently negative. Even though the coefficient is only rarely statistically significant, we take this as evidence in favor of our argument as there are many zero observations, which are no longer used at the estimation stage. Thus, the number of observations available for estimating coefficients at the estimation stage decreases, thereby making it more difficult for coefficients to attain statistical significance. The income per capita variable becomes positive and statistically significant in some models, and it takes on negative values in other models. These flips in signs cautions against a too literal interpretation. Therefore, our conclusion from the main text that there is no strong income effect for PoAs, the less so when compared to the CDM, continues to hold.

In the bottom of each table, we also report Vuong test statistics and the corresponding p-values when testing if zero-inflated models are favorable (Vuong, 1989). These test statistics suggest that accounting for zero-inflation is important. However, as the results of the reported zero-inflation models nicely align with the ones reported in the main text from simpler and less sensitive models, we prefer the latter for the main text. To show additional robustness, Tables A38 and A39 show results from model estimations when we exclude all country-year observations which are zero. The results are again similar to our main results, especially for the CDM sample, while statistical significance attenuates due to loss in the number of observations. In the case of PoAs results are a bit weaker, which is not surprising given that we are left with at most 89 non-zero observations.

Results for zero-inflation models for CDM projects

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Estimation stage								
Population (logged, 3yr lag)	1.021***	0.960***	0.793***	1.051***	0.954***	0.894***	1.025***	1.030***
	(0.038)	(0.037)	(0.051)	(0.042)	(0.039)	(0.049)	(0.051)	(0.036)
Income (logged, 3yr lag)	0.772***	0.435***	0.716***	0.780***	0.347***	0.655***	0.757***	0.303***
	(0.086)	(0.084)	(0.080)	(0.090)	(0.109)	(0.092)	(0.094)	(0.097)
Urban population (3yr lag)	-0.022***	-0.024***	-0.024***	-0.033***	-0.019***	-0.021***	-0.026***	-0.017***
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.007)	(0.006)
Corruption (3yr lag)	-0.118**	-0.246***	-0.107*	-0.231***	-0.265***	-0.126**	-0.039	-0.240***
	(0.060)	(0.057)	(0.056)	(0.067)	(0.064)	(0.060)	(0.057)	(0.059)
CDM count (lagged)			0.004***					
			(0.001)					
PoA count (lagged)			0.010					
			(0.016)					
Democracy (3yr lag)				0.825***				
				(0.180)				
Political risk (3yr lag)				0.111**				
				(0.050)				
Energy intensity (3yr lag)					-0.002***			
					(0.001)			
Particulate matter (3yr lag)					-0.007***			
					(0.002)			
CO2 intensity (3yr lag)					0.976***			
					(0.242)			
Electricity loss (3yr lag)						0.002		
						(0.009)		
Electricity (share of coal, 3yr lag)						0.010***		
						(0.003)		
Trade volume (3yr lag)							0.003**	
							(0.001)	
Industry share (3yr lag)							-0.024***	
							(0.008)	
Domestic savings rate (3yr lag)							0.020***	
							(0.007)	
Population density (people / km2, 3yr lag)								-0.000**
								(0.000)
Life expectancy (years, 3yr lag)								0.068***
								(0.009)
Inflation stage								
CDM count (lagged)	-1.557***	-1.373***	-1.485***	-1.234***	-1.448***	-1.581***	-1.356***	-1.485***
	(0.352)	(0.313)	(0.319)	(0.302)	(0.360)	(0.380)	(0.323)	(0.347)
Linear time trend	-0.094	-0.089	-0.111	-0.042	-0.131	-0.098	-0.118	-0.097
	(0.085)	(0.089)	(0.083)	(0.119)	(0.092)	(0.088)	(0.085)	(0.087)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	482	482	482	368	412	433	441	482
Zero observations	225	225	225	174	170	187	195	225
Vuong test	6.380	3.924	6.188	4.966	5.334	6.145	6.159	5.647
p-value	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A36: Results from zero-inflation models for CDM projects.

Results for zero-inflation models for PoAs

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Estimation stage								
Population (logged, 3yr lag)	0.534***	0.568***	0.412***	0.521***	0.434***	0.356***	0.637***	0.537***
	(0.064)	(0.061)	(0.081)	(0.094)	(0.059)	(0.066)	(0.108)	(0.055)
Income (logged, 3yr lag)	0.153	0.333***	0.130	-0.077	-0.162	0.012	0.477***	0.412***
	(0.118)	(0.113)	(0.096)	(0.211)	(0.139)	(0.117)	(0.160)	(0.132)
Urban population (3yr lag)	-0.003	-0.002	-0.003	0.002	-0.001	0.001	-0.012	-0.008
	(0.009)	(0.009)	(0.008)	(0.015)	(0.008)	(0.008)	(0.010)	(0.010)
Corruption (3yr lag)	-0.153	-0.053	-0.097	-0.269	-0.216*	-0.091	-0.035	-0.021
	(0.114)	(0.108)	(0.095)	(0.271)	(0.113)	(0.098)	(0.128)	(0.106)
CDM count (lagged)			-0.000					
			(0.001)					
PoA count (lagged)			0.045***					
			(0.010)					
Democracy (3yr lag)				-0.086				
				(0.349)				
Political risk (3yr lag)				-0.125				
				(0.090)				
Energy intensity (3yr lag)					-0.001**			
					(0.001)			
Particulate matter (3yr lag)					-0.010***			
					(0.003)			
CO2 intensity (3yr lag)					1.287***			
					(0.321)			
Electricity loss (3yr lag)						-0.003		
						(0.013)		
Electricity (share of coal, 3yr lag)						0.012***		
						(0.003)		
Trade volume (3yr lag)							0.003	
							(0.002)	
Industry share (3yr lag)							-0.036**	
							(0.016)	
Domestic savings rate (3yr lag)							-0.003	
							(0.015)	
Population density (people / km2, 3yr lag)								0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.035***
								(0.010)
Inflation stage								
PoA count (lagged)	-0.725***	-0.632***	-0.628***	-0.460**	-0.683***	-0.680***	-0.824***	-0.693***
	(0.214)	(0.183)	(0.163)	(0.180)	(0.213)	(0.205)	(0.250)	(0.190)
Linear time trend	-0.322**	-0.369***	-0.397***	-0.417**	-0.375***	-0.323**	-0.293**	-0.330***
	(0.130)	(0.131)	(0.121)	(0.196)	(0.141)	(0.135)	(0.138)	(0.126)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	482	482	482	368	412	433	441	482
Zero observations	377	377	377	304	314	337	341	377
Vuong test	3.765	3.913	4.113	2.125	3.305	3.919	4.145	4.326
p-value	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A37: Results from zero-inflation models for PoAs.

Results for CDM projects without zero observations

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.459***	0.502***	0.541***	0.628***	0.498***	0.434***	0.480***	0.498***
	(0.080)	(0.083)	(0.077)	(0.078)	(0.086)	(0.089)	(0.089)	(0.081)
Income (logged, 3yr lag)	0.506***	0.443***	0.511***	0.601***	0.508***	0.494***	0.558***	0.441***
	(0.132)	(0.145)	(0.121)	(0.131)	(0.176)	(0.140)	(0.144)	(0.165)
Urban population (3yr lag)	-0.006	-0.008	-0.005	-0.010	-0.006	-0.005	-0.007	0.007
	(0.011)	(0.010)	(0.010)	(0.010)	(0.011)	(0.010)	(0.011)	(0.012)
Corruption (3yr lag)	-0.153**	-0.181***	-0.118**	-0.108*	-0.152**	-0.147**	-0.167***	-0.185***
	(0.062)	(0.059)	(0.055)	(0.063)	(0.060)	(0.065)	(0.062)	(0.060)
CDM count (lagged)			0.001***					
			(0.000)					
PoA count (lagged)			0.007*					
			(0.004)					
Democracy (3yr lag)				0.329**				
				(0.168)				
Political risk (3yr lag)				-0.038				
				(0.038)				
Energy intensity (3yr lag)					-0.000			
					(0.001)			
Particulate matter (3yr lag)					-0.007**			
					(0.003)			
CO2 intensity (3yr lag)					-0.264			
					(0.368)			
Electricity loss (3yr lag)						0.007		
						(0.013)		
Electricity (share of coal, 3yr lag)						0.004		
						(0.005)		
Trade volume (3yr lag)							-0.003	
							(0.002)	
Industry share (3yr lag)							-0.014	
							(0.013)	
Domestic savings rate (3yr lag)							0.004	
							(0.010)	
Population density (people / km2, 3yr lag)								-0.000**
								(0.000)
Life expectancy (years, 3yr lag)								0.000
								(0.016)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	257	257	257	194	242	246	246	257
Countries	63	63	63	55	58	59	61	63

Standard errors in parentheses
Dependent variable: Number of CDM projects.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A38: Results from negative binomial models when dropping all zero observations for CDM projects.

Results for PoAs without zero observations

	(1) Model	(2) Model	(3) Model	(4) Model	(5) Model	(6) Model	(7) Model	(8) Model
Population (logged, 3yr lag)	0.387***	0.403***	0.252***	0.345***	0.372***	0.306***	0.378***	0.397***
	(0.069)	(0.076)	(0.073)	(0.078)	(0.052)	(0.060)	(0.098)	(0.070)
Income (logged, 3yr lag)	0.179*	0.221*	0.126	0.081	-0.044	0.165	0.373**	0.234
	(0.108)	(0.124)	(0.093)	(0.133)	(0.133)	(0.102)	(0.158)	(0.143)
Urban population (3yr lag)	-0.003	-0.003	0.000	0.014	-0.002	-0.004	-0.013	-0.003
	(0.009)	(0.009)	(0.008)	(0.013)	(0.007)	(0.008)	(0.010)	(0.011)
Corruption (3yr lag)	-0.010	-0.002	0.012	0.074	-0.123	-0.032	0.073	-0.006
	(0.091)	(0.093)	(0.080)	(0.131)	(0.096)	(0.082)	(0.110)	(0.095)
CDM count (lagged)			0.001					
			(0.001)					
PoA count (lagged)			0.031***					
			(0.008)					
Democracy (3yr lag)				-0.193				
				(0.345)				
Political risk (3yr lag)				-0.054				
				(0.081)				
Energy intensity (3yr lag)					-0.001			
					(0.001)			
Particulate matter (3yr lag)					-0.009***			
					(0.003)			
CO2 intensity (3yr lag)					1.237***			
					(0.354)			
Electricity loss (3yr lag)						0.018		
						(0.015)		
Electricity (share of coal, 3yr lag)						0.012***		
						(0.003)		
Trade volume (3yr lag)							0.000	
							(0.002)	
Industry share (3yr lag)							-0.035**	
							(0.016)	
Domestic savings rate (3yr lag)							0.017	
							(0.014)	
Population density (people / km2, 3yr lag)								0.000
								(0.000)
Life expectancy (years, 3yr lag)								-0.010
								(0.014)
Year Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Region Fixed Effects	No	Yes	No	No	No	No	No	No
Observations	89	89	89	54	85	84	87	89
Countries	40	40	40	30	38	37	39	40

Standard errors in parentheses
Dependent variable: Number of PoA models.
All models are negative binomial count models.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table A39: Results from negative binomial models when dropping all zero observations for PoAs.

Supplementary Appendix: References

Vuong, Quang H. 1989. "Likelihood Ratio Tests for Model Selection and Non-Nested Hypotheses." *Econometrica* 57 (2): 307–333.