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Appendix 1: Variable description and sources

Variable	obs	mean	sd	min	max	Variable description	Source
<i>Dependent variables</i>							
Double delegation	3032	1.66	5.35	0.00	100.00	Percentage of EC aid activities delegated to IDOs (so-called multi-bi aid) in a given country in a given year	Eichenauer and Reinsberg (2017)
Sector earmarking	756	18.68	30.72	0.00	100.00	Percentage of multi-bi aid activities by the EC that are strictly earmarked at the project level (rather than being only thematically earmarked or not earmarked)	Eichenauer and Reinsberg (2017)
Geographic earmarking	756	93.81	20.43	0.00	100.00	Percentage of multi-bi aid activities by the EC that are strictly earmarked at the country level (rather than being only regionally earmarked)	Eichenauer and Reinsberg (2017)
<i>Capacity variables</i>							
ACP country	3032	0.55	0.50	0.00	1.00	Binary indicator variable for aid activity being implemented in ACP countries (CRS)	OECD (2013b)
ENP country	3032	0.08	0.28	0.00	1.00	Binary indicator variable for aid activity being implemented in ENP countries (CRS)	OECD (2013b)
Common language	2844	0.74	0.44	0.00	1.00	Binary indicator variable for common language with any EU country (CEPII data)	Mayer and Zignago (2006)
Log(EC staff)	3032	9.73	0.13	9.42	9.90	Annual count of operational staff in the European Commission (both headquarters and country offices)	Own coding based on EU budget reports
WB office	3032	0.88	0.32	0.00	1.00	Dummy for presence of World Bank country office	Own coding based on web search
WB amount	1845	1.42	1.59	0.00	13.99	Total project amount made available from IBRD/IDA sources for the recipient country (World Bank project database) as fraction of EC aid to a given country. Specifically, $\ln(1+IBRD/IDA \text{ sources} / EC \text{ aid})$ was used in order to avoid missing values.	World Bank (2013c)
Important sector	3032	0.11	0.31	0.00	1.00	Dummy for at least one project in an important sector in a given country and year. An important sector is one in which a DAC working group was created in a specific year, i.e., Conflict, Peace, and Development (1995), Poverty (1998), Governance (2000), Gender (2003), Environment (2003), Aid Effectiveness / Development Evaluation (2003), and Conflict and Fragility (2012).	Own coding based on OECD website

Important country	3032	0.002	0.05	0.00	1.00	Binary indicator for at least one project in an important country in a given year. Importance refers to geostrategic need coinciding with the onset of war: Serbia (1997), Afghanistan (2001), Pakistan (2002), Iraq (2003), Somalia (2006), Yemen (2009), and Syria (2011).	Own coding
<i>(Non-)strategic variables</i>							
Export share by EU-3	2789	0.65	1.86	0.00	27.64	Export by EU-3 (Germany, France and United Kingdom) to a recipient country in % of total exports to all recipients, lagged by one period	Eurostat (2015)
Log(Life expectancy)	2690	4.13	0.16	3.30	4.39	Life expectancy at birth of recipient country (total population) [SP.DYN.LE00.IN]	World Bank (2014)
Log(GDP per capita)	2645	7.20	1.14	4.24	10.02	GDP per capita (constant 2005 US\$) [NY.GDP.PCAP.KD]	World Bank (2014)
Fragile state	2744	0.28	0.45	0.00	1.00	Binary indicator for country being in the lowest quintile of the annual distribution of 'quality of governance' measured by the ICRG index (or the World Bank Governance Indicator on Control of Corruption in case of the ICRG index did not cover a given country)	Own computation based on World Bank (2014)
<i>Heterogeneity variables</i>							
Geographic heterogeneity	3027	1.10	1.00	0.00	3.87	Coefficient of variation of bilateral donor preferences of the EU-15 states based on the geographic allocation of their bilateral aid (available data limited to EU-15, see CRS). For computational details, see below.	OECD (2013b)
Sector heterogeneity	2915	2.86	0.67	1.19	3.87	Coefficient of variation of bilateral donor preferences of the EU-15 states based on the sectoral allocation of their bilateral aid (available data limited to EU-15, see CRS). For computational details, see below.	OECD (2013b)
<i>Control variables</i>							
EC aid growth	3032	0.06	0.10	-0.15	0.31	Rate of aid growth of the European Commission (DAC1)	OECD (2013a)
Post-Paris Declaration	3032	0.35	0.48	0.00	1.00	Dichotomous indicator variable for years after 2005	
Linear trend	3032	2002.04	6.29	1990.00	2012.00	Sample year, capturing a linear time trend	

Appendix 2: Formal Exposition of the Heterogeneity Variables:

Let p_{mit} be a dummy indicating whether EU member m ($m=1, \dots, 15$) allocates bilateral aid to recipient i in year t . Our measure of geographic heterogeneity between EU member countries (H_{it}^{geo}) is then given by:

$$H_{it}^{geo} = \frac{\sqrt{\frac{1}{15} \sum_{m=1}^{15} \left(p_{mit} - \frac{1}{15} \sum_{m=1}^{15} p_{mit} \right)^2}}{\frac{1}{15} \sum_{m=1}^{15} p_{mit}} \quad (1)$$

Similarly, we can use the information whether EU member m allocates bilateral aid to sector s ($s=1, \dots, S$) in recipient i in year t (p_{msit}) to obtain the coefficient of variation for each sector. Since our unit of analysis is the recipient-year and does not vary by sector, we compute the average of these sectoral coefficients of variation within each recipient. The resulting measure for sector heterogeneity between EU member countries (H_{it}^{sector}) is then given by:

$$H_{it}^{sector} = \frac{1}{S} \sum_{s=1}^S \frac{\sqrt{\frac{1}{15} \sum_{m=1}^{15} \left(p_{msit} - \frac{1}{15} \sum_{m=1}^{15} p_{msit} \right)^2}}{\frac{1}{15} \sum_{m=1}^{15} p_{msit}} \quad (2)$$

Appendix 3: List of interviews (anonymized)

	Date	Institution	Role
1	19/07/2013	World Bank	Trust Fund Coordinator
2	24/07/2013	World Bank	Trust Fund Coordinator
3	25/07/2013	World Bank	Trust Fund Coordinator
4	26/07/2013	World Bank	Trust Fund Manager
5	30/07/2013	World Bank	Donor relations
6	31/07/2013	World Bank	Donor relations
7	02/08/2013	World Bank	Trust Fund Manager
8	06/08/2013	World Bank	Trust Fund Manager
9	08/08/2013	World Bank	Donor relations
10	08/08/2013	World Bank	Director
11	09/08/2013	World Bank	Director
12	12/08/2013	World Bank	Donor relations
13	13/08/2013	World Bank	Trust Fund Coordinator
14	14/08/2013	World Bank	Trust Fund Manager
15	23/08/2013	World Bank	Trust Fund Coordinator
16	23/08/2013	World Bank	Trust Fund Manager
17	26/08/2013	World Bank	Advisor
18	27/08/2013	World Bank	Trust Fund Coordinator
19	04/11/2014	European Union	Director
20	04/11/2014	European Union	Deputy Head
21	04/11/2014	European Union	Deputy Head
22	04/11/2014	European Union	Head of Unit
23	04/11/2014	European Union	Deputy Head
24	04/11/2014	European Union	Deputy Head
25	04/11/2014	European Union	Assistant
26	04/11/2014	European Union	Head of Unit
27	04/11/2014	European Union	Advisor to the Director-General
28	04/11/2014	European Union	Assistant
29	05/11/2014	European Union	Director
30	05/11/2014	European Union	Director
31	05/11/2014	European Union	Head of Unit
32	05/11/2014	European Union	Assistant
33	05/11/2014	European Union	Director
34	05/11/2014	European Union	Director
35	11/11/2014	European Union	Head of Unit
36	08/12/2014	European Union	Director
37	03/11/2015	European Union	Director

38	11/06/2013	Member state	Deputy Director General
39	05/11/2014	Member state	Head of Unit
39	05/11/2014	Member state	Director

Appendix 4: Double delegation model, random effects

	(1)	(2)	(3)	(4)	(5)	(6)
ACP country	-0.706 (0.543)	-0.591 (0.464)	-0.700 (0.546)	-1.015* (0.609)	-0.994* (0.578)	-1.049* (0.609)
ENP country	-1.010 (0.823)	-0.668 (0.835)	-1.014 (0.821)	-0.991 (0.816)	-0.629 (0.817)	-0.994 (0.814)
Common language	-2.019** (0.818)	-1.703** (0.817)	-2.023** (0.820)	-1.880** (0.781)	-1.571** (0.764)	-1.862** (0.781)
Commission staff (log)	-2.444 (3.444)	-7.680** (3.669)	0.545 (3.669)	-2.234 (3.467)	-7.476** (3.541)	0.884 (3.688)
WB delegation	-1.171 (1.254)	0.406 (0.368)	-1.187 (1.281)	-1.301 (1.439)	0.556 (0.386)	-1.339 (1.484)
WB amount		0.251 (0.196)			0.256 (0.196)	
Important sector			0.907*** (0.268)			0.933*** (0.273)
Export share in EU-3	-0.159** (0.080)	-0.154* (0.085)	-0.157** (0.080)	-0.134* (0.076)	-0.124* (0.075)	-0.129* (0.076)
Life expectancy (log)	-2.258 (1.602)	-2.714* (1.650)	-2.166 (1.585)	-2.671 (1.675)	-3.381* (1.857)	-2.621 (1.659)
GDP per capita (log)	0.128 (0.278)	0.097 (0.324)	0.131 (0.278)	0.029 (0.258)	-0.008 (0.283)	0.020 (0.257)
Fragile state	0.097 (0.428)	0.449 (0.534)	0.108 (0.430)	0.075 (0.428)	0.447 (0.534)	0.084 (0.429)
Geographic heterogeneity	-0.146 (0.343)	-0.289 (0.468)	-0.136 (0.345)			
Sector heterogeneity				0.324 (0.368)	0.313 (0.404)	0.387 (0.374)
Commission aid growth	0.292 (1.448)	-0.729 (1.160)	0.266 (1.454)	0.319 (1.450)	-0.769 (1.174)	0.297 (1.456)
Linear trend	0.344*** (0.096)	0.324*** (0.082)	0.365*** (0.098)	0.362*** (0.092)	0.346*** (0.075)	0.384*** (0.093)
Post-Paris Declaration	1.350** (0.531)	1.983*** (0.716)	1.027* (0.549)	1.350** (0.532)	1.995*** (0.718)	1.020* (0.547)
Observations	1542	1138	1542	1533	1136	1533
Overall R2	0.13	0.17	0.14	0.13	0.17	0.14
Recipient countries	125	121	125	125	121	125

Random-effect estimation with recipient-clustered standard errors in parentheses

* p<0.10, ** p<0.05, *** p<0.01

Appendix 5: Earmarking model, random effects

	Geographic earmarking			Sector earmarking		
	(1)	(2)	(3)	(4)	(5)	(6)
ACP country	-3.228 (2.058)	-1.460 (2.323)	-3.160 (2.068)	-6.968 (5.471)	-7.350 (5.821)	-6.966 (5.468)
ENP country	-0.418 (2.481)	-1.305 (1.776)	-0.567 (2.479)	2.099 (3.851)	1.676 (4.333)	2.236 (3.855)
Common language	4.445** (1.826)	2.624* (1.417)	4.424** (1.822)	10.710** (4.206)	9.499** (4.478)	10.693** (4.188)
Commission staff (log)	67.790*** (13.994)	53.989*** (12.874)	65.293*** (13.770)	-4.622 (37.330)	-17.780 (39.213)	-2.405 (38.818)
WB delegation	-2.822 (2.683)	--	-2.923 (2.637)	12.333** (5.170)	--	12.453** (5.183)
WB amount		0.049 (0.321)			-0.816 (1.021)	
Important sector			2.779** (1.319)			-2.564 (3.927)
Export share in EU-3	0.501** (0.199)	0.400* (0.240)	0.497** (0.194)	0.330 (0.278)	0.313 (0.313)	0.322 (0.277)
Life expectancy (log)	32.264** (13.939)	25.438* (14.555)	31.984** (13.901)	25.738 (16.011)	16.114 (17.958)	25.872 (15.986)
GDP per capita (log)	-3.314** (1.351)	-1.366 (1.445)	-3.234** (1.336)	-5.469*** (1.630)	-3.060* (1.736)	-5.495*** (1.627)
Fragile state	4.341** (1.810)	3.341* (1.960)	4.306** (1.782)	-1.516 (3.288)	0.876 (3.526)	-1.487 (3.290)
Geographic heterogeneity	4.788*** (1.584)	3.455* (1.979)	4.706*** (1.558)			
Sector heterogeneity				8.692** (3.523)	5.509* (3.160)	8.668** (3.518)
Commission aid growth	15.329*** (4.961)	13.264*** (3.700)	13.916*** (4.977)	47.136*** (16.444)	43.510** (18.248)	48.473*** (16.997)
Linear trend	-1.164*** (0.250)	-1.037*** (0.243)	-1.014*** (0.259)	-1.449** (0.587)	-1.298** (0.646)	-1.588** (0.653)
Observations	655	538	655	655	538	655
Overall R2	0.07	0.04	0.07	0.06	0.05	0.07
Recipient countries	117	106	117	117	106	117

Random-effects estimation with recipient-clustered standard errors in parentheses

* p<0.10, ** p<0.05, *** p<0.01

Appendix 6: Double delegation model, additional interactions

	(1) CMP	(2) RE	(3) CMP	(4) RE
ACP country	-0.829 (0.953)	0.086 (0.989)	-0.922 (2.023)	1.435 (2.020)
ACP country x heterogeneity	-0.417 (1.415)	-1.874 (1.411)	-0.017 (0.854)	-1.045 (0.882)
ENP country	-1.797 (1.799)	-2.069 (1.829)	2.015 (4.095)	0.931 (4.429)
ENP country x heterogeneity	1.562 (2.862)	1.851 (2.731)	-1.202 (1.773)	-0.785 (1.785)
Common language	-3.182** (1.463)	-4.396*** (1.589)	0.032 (3.152)	-3.782 (2.899)
Common language x heterogeneity	2.526 (2.279)	4.461** (2.262)	-0.760 (1.441)	0.831 (1.295)
WB office	-1.451 (1.372)	-1.354 (1.325)	-1.320 (1.399)	-1.318 (1.405)
Export share by EU-3	-0.186** (0.090)	-0.246** (0.115)	0.383 (0.369)	-0.188 (0.389)
Export share by EU-3 x heterogeneity	0.110 (0.288)	0.329 (0.270)	-0.256 (0.200)	0.030 (0.219)
Life expectancy (log)	-3.458*** (1.246)	-3.041* (1.671)	-2.842** (1.196)	-2.664* (1.507)
GDP per capita (log)	0.133 (0.267)	0.098 (0.284)	0.090 (0.239)	0.018 (0.266)
Fragile state	0.223 (0.602)	-0.003 (0.431)	0.234 (0.593)	0.034 (0.437)
Geographic heterogeneity	-1.995 (3.050)	-2.604 (2.796)		
Sector heterogeneity			1.024 (1.444)	0.431 (1.238)
Commission aid growth	0.482 (1.260)	0.537 (1.274)	0.578 (1.268)	0.597 (1.287)
Post-Paris Declaration	1.156** (0.487)	1.140** (0.499)	1.178** (0.487)	1.142** (0.503)
Linear trend	0.348*** (0.100)	0.348*** (0.096)	0.349*** (0.085)	0.352*** (0.081)
Observations	1542	1542	1533	1533
Recipient countries	125	125	125	125
R2	0.13	0.13	0.14	0.14

(1) and (3) are double delegation equations of SUR system, (2) and (4) are random effects models unlinked with the earmarking equations. Recipient-clustered standard errors in parentheses, * p<0.10, ** p<0.05, *** p<0.01.

Appendix 7: Earmarking model, additional interactions

	(1) CMP	(2) RE	(3) CMP	(4) RE
	Geographic earmarking		Sector earmarking	
ACP country	-3.209 (2.726)	-2.309 (2.916)	-17.532 (20.362)	-16.597 (20.983)
ACP country x heterogeneity	-4.067 (4.076)	-1.146 (4.146)	4.174 (9.736)	3.315 (9.971)
ENP country	2.007 (3.491)	-0.019 (3.220)	2.733 (22.200)	-0.476 (23.731)
ENP country x heterogeneity	-7.016 (9.821)	-1.970 (6.542)	0.181 (8.878)	1.397 (9.506)
Common language	0.359 (2.191)	2.554 (2.685)	-12.557 (20.773)	-15.676 (21.625)
Common language x heterogeneity	7.288 (4.664)	4.256 (4.851)	9.707 (9.789)	11.104 (10.179)
WB office	-6.050** (2.720)	-3.551 (2.511)	11.709** (5.225)	11.303** (5.434)
Export share by EU-3	0.300** (0.118)	0.347* (0.179)	1.095 (1.585)	1.013 (1.708)
Export share by EU-3 x heterogeneity	1.323** (0.591)	1.573** (0.788)	-0.560 (0.871)	-0.505 (0.930)
Life expectancy (log)	15.892 (10.920)	35.142** (14.844)	21.346 (15.517)	19.262 (16.702)
GDP per capita (log)	-2.475** (0.976)	-3.451** (1.423)	-4.923*** (1.581)	-5.046*** (1.597)
Fragile state	2.586* (1.393)	4.993** (2.089)	-0.887 (3.314)	-0.818 (3.315)
Geographic heterogeneity	1.663 (1.849)	1.751 (2.457)		
Sector heterogeneity			-1.714 (5.101)	-2.323 (5.011)
Commission aid growth	1.169 (4.268)	0.977 (4.462)	48.447*** (14.067)	47.723*** (14.327)
Linear trend	-0.188 (0.226)	-0.298 (0.204)	-1.601*** (0.564)	-1.515*** (0.568)
Observations	655	655	655	655
Recipient countries	125	117	125	117
R2	0.05	0.05	0.07	0.07

(1) and (3) are earmarking equations of SUR system, (2) and (4) are random effects models unlinked with the double delegation equations. Recipient-clustered standard errors in parentheses, * p<0.10, ** p<0.05, *** p<0.01.

Appendix 8: Country importance and double delegation patterns

	Geographic earmarking		Sector earmarking	
	(1)	(2)	(3)	(4)
	Double delegation	Geographic earmarking	Double delegation	Sector earmarking
ACP country	-0.823*	-4.360**	-1.042**	-7.059
	(0.491)	(2.072)	(0.512)	(5.276)
ENP country	-0.951	-0.513	-0.947	1.977
	(0.759)	(2.151)	(0.752)	(3.742)
Common language	-1.850**	3.185**	-1.737**	10.831***
	(0.747)	(1.464)	(0.713)	(4.095)
Commission staff (log)	-1.926	74.586***	-2.165	-10.055
	(3.287)	(15.342)	(3.379)	(37.126)
WB delegation	-1.323	-4.597*	-1.397	11.938**
	(1.277)	(2.634)	(1.402)	(5.003)
Important country	1.295	1.471	1.243	-27.106***
	(2.873)	(1.464)	(2.803)	(7.913)
Export share in EU-3	-0.139*	0.397***	-0.117*	0.329
	(0.075)	(0.144)	(0.070)	(0.277)
Life expectancy (log)	-2.747**	15.705	-3.004**	26.908*
	(1.318)	(10.540)	(1.297)	(15.084)
Geographic heterogeneity	-0.065	3.961***		
	(0.363)	(1.211)		
Sector heterogeneity			0.302	9.419**
			(0.330)	(3.680)
Fragile state	0.240	2.204*	0.203	-1.723
	(0.578)	(1.262)	(0.582)	(3.249)
GDP per capita (log)	0.128	-2.326**	0.050	-5.530***
	(0.255)	(0.935)	(0.234)	(1.601)
Commission aid growth	0.288	17.018***	0.289	45.861***
	(1.439)	(4.888)	(1.450)	(16.526)
Linear trend	0.356***	-1.200***	0.368***	-1.485**
	(0.100)	(0.271)	(0.095)	(0.583)
Post-Paris Declaration	1.312**		1.393***	
	(0.522)		(0.529)	
Observations	1542	655	1533	655
Recipient countries	125	125	125	125
R2	0.13	0.07	0.13	0.07

(1) and (2), and (3) and (4) belong to SUR system for geographic earmarking and sector earmarking respectively. Recipient-clustered standard errors in parentheses, * p<0.10, ** p<0.05, *** p<0.01.