

KEY QUESTIONS

the big six

6

What are important milestones in Germany's annual budget process?

Major ODA increases or changes are confirmed early in the year; Parliament debates the budget in Autumn (September to November)

- Cabinet agrees on caps for federal and ministerial budgets:** In February/March each year, the Federal Ministry of Finance develops caps for the federal budget and individual ministerial budgets. At this point, decisions on increases in ODA and the overall funding allocation are taken. A key stakeholder during this period is the Finance Minister, while the Development Ministry provides input. Major funding decisions are budgeted at this time of the year.
- Negotiations within ministries:** Ministries develop their budgets in April and submit them to the Ministry of Finance. Allocations to individual international organizations, for example, are determined during this period. In parallel, between April and September, the Federal Ministry for Economic Cooperation and Development (BMZ) plans its bilateral spending (see 'Key Question 3: How does Germany spend its ODA') and multilateral funding envelopes.
- Draft budget and medium-term financial planning:** In June, the Cabinet negotiates the budget and publishes the government's budget draft before the summer break. Key players in this period are the Chancellery, the Finance Ministry, and the Development Ministry.
- Parliamentary debates and proposed amendments:** First reading in Parliament takes place in September. Subsequently, parliament usually debates the budget until November.
- Amendments reviewed and recommendations to committees:** The Development Committee (AWZ) makes recommendations on budget amendments in September/October. In October, BMZ's budget is debated by the Development Committee and Budget Committee.
- Amendments, decisions on each ministerial budget:** The Budget Committee takes final decisions in November, which makes members of the Budget Committee (especially those of the government coalition parties) central stakeholders during this phase.
- The final budget draft is voted on** in plenary and signed by the President.

