

KEY QUESTIONS

the big six

5

What are important decision-making opportunities in Germany's annual budget process?

Major ODA increases or changes are confirmed early in the year; Parliament debates the budget in the fall

- 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 gives 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 'How is ODA spent' section) 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. Suggested increases that were put into the budget earlier need to be protected at this time. Key players in this period are the Chancellery, the Finance Ministry, and the Development Ministry (BMZ).
- First reading in plenary and proposed amendments:** Parliament usually debates the budget from September to November. However, in 2017, this process was delayed by federal elections in September 2017. A new budget will likely not be presented before May 2018.
- Amendments reviewed and recommendations to committees:** The Development Committee (AWZ) makes recommendations on budget amendments in September/October. In October, the BMZ budget is debated by the Development Committee and Budget Committee.
- Amendments, decisions on each ministerial budget, and voting:** The Budget Committee takes final decisions in November, making 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.

