Callable Capital Exercise – Shareholder Information Template

(1) Shareholder

Germany

(2) Shareholding and Callable Capital Commitments

MDBs (and other DFIs, if applicable)	Shareholding (% of subscribed capital)	Callable Capital Commitments (billions)
IBRD (Link)	4.501%	USD 13.261
ADB (Link)	4.316%	USD 5.806
AfDB (Link)	4.099%	UA 5.674 = USD 7.554
IDB (Link)	1.896%	USD 3.126
CDB (Link)	5.579%	USD 0.073
AIIB (Link)	4.622%	USD 3.587
EBRD (Link)	8.591%	EUR 2.023 = USD 2.211
EIB (Link)	18.779%	EUR 42.555 = USD 46.504
CEB (Link)	16.414%	EUR 0.814 = USD 0.889

(3) Processes and Approvals: Describe the process your government would undertake and any approvals it would need to respond to a call on callable capital (or a call that is forthcoming). And, where legislative approval is required to respond to a call on callable capital (or a call that is forthcoming), describe the scope of opportunities for engagement with the legislature to seek this approval.

If a bank's board of directors was to issue a call, Germany would verify and assess the call. This would involve the Finance Ministry, as well as, for IBRD, ADB, AfDB, IDB and CDB, the Ministry for Development Cooperation. If the amount due exceeded the amount already allocated as expenses in the federal budget for surety obligations, guarantees or other warranties by at least €50 million, the German government would need to give a written notification to the Budget Committee of the German Bundestag (parliament) about its intention to mobilise the excess expenditures due.
If the excess expenditures were lower than €50 million, there would not be any obligation to inform the Budget Committee ex ante.

Only in the very unlikely event that the amount due leads to a breach of the ceiling on net borrowing set by the Bundestag for the relevant fiscal year would a supplementary budget have to be passed within the framework of the ordinary legislative procedure.
Finally, excess expenditure payments would technically be made via the Bundesbank, which routinely channels Germany's payments for MDBs' capital increases and their concessional windows' replenishments.
We would aim to get through the budgetary process as swiftly as possible to mobilise the means Germany has committed to.

(4) Timeframes: Describe the timeframes associated with these processes and approvals. If the timeframe is conditional upon specific factors, please describe those factors.

The timeframe depends on the amount due. If there is no obligation to inform the Budget Committee of the German Bundestag (see question 3), the time required is less than one month. Otherwise up to two months are required unless a supplementary budget needs to be passed.

(5) Responsibilities: Describe where the responsibilities for these processes and approval reside within your government.

Procedural Step	Timeframe	Responsible Entity
Verification and assessment	1 month	Ministry of Finance together with the devisions responsible for the respective MDB (either in the Ministry for Economic Cooperation and Development or in the Ministry of Finance)
[Notification of the Budget Committee of the Bundestag]	1 month	Ministry of Finance]
Payment	1 week	Ministry of Finance

(6) Size of Call Response: Describe your government's potential to make available an amount of callable capital above the size of a call that has been made (or is forthcoming), and the associated processes and approvals for the same (if different from the above).

If only a portion of callable capital is used to respond to a call, the remainder would be available for one or more subsequent calls.

(7) Accelerated Processes: Describe your government's potential to undertake accelerated domestic processes and approvals in response to a call on callable capital (or a call that is forthcoming), including what these processes and approval entail (including any conditions that must be met), their associated timeframes, and whether there are any limitations on the amount of callable capital available through them (recognizing that the existence of these accelerated processes has no effect on the circumstances under which callable capital may be called).

Depending on the circumstances, the process may be faster than described. For instance, if the case is straightforward, can be easily assessed and validated and if there is no need to inform the Budget Committee of the German Bundestag, the timeframe might be brought down to one week.

(8) Callable Capital Available for Immediate Disbursement and Process/Timeframe: Describe any amounts of callable capital that are currently available for immediate disbursement in response to a call on callable capital (including, where applicable, funds that have already been made available through existing or previously approved budgets), and the processes, approvals, and timeframes associated with disbursement of such amounts.

As mentioned above, amounts already allocated as expenses in the federal budget for surety obligations, guarantees or other warranties plus up to €50 million can be disbursed without ex-ante notification of the Bundestag.

(9) Accounting and Budgeting Procedures: Describe the accounting treatment your government employs when accounting for callable capital, and how callable capital is treated in your government's budget.

Callable capital is recorded as an off-balance sheet commitment and as a contingent, not a direct, liability. Essentially, the departmental budget for surety obligations, guarantees or other warranties (budget chapter 3208) includes and lists all guarantees provided by the German Federation. The current amounts are published every quarter in the Federal Ministry of Finance's monthly report (https://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Press_Room/Publications/Monthly_Report/Key_Figures/2023/2023-11-

federal-budget.html). The table includes the total amount of guarantees Germany has provided to international financial institutions (IFIs). The vast majority of all guarantees provided to IFIs are callable capital.

(10) Legal Status of Callable Capital Subscriptions: Describe the legal status of your government's callable capital subscriptions, including the legal basis upon which those subscriptions rest.

They are guarantees in accordance with the legal framework of the Multilateral Development Banks. The German government accepts guarantees on the legal basis of section 3 of the annual Budget Act (https://www.bundeshaushalt.de/static/daten/2024/soll/E-HG%202024.pdf#page=4).

(11) Cross-MDB Differences: Describe any differences in the way your government treats callable capital from an accounting, legal, or process for responding to a call perspective across the different MDBs.

There are no differences in the treatment of callable capital across different MDBs.

(12) Other Factors: Cite any other factors affecting your government's ability to promptly respond to a call on callable capital.

In rare cases there may be factors that affect the timeline of the process, for instance if notification of the Budget Committee or even a supplementary budget is necessary immediately before or after a federal election.