

# Latest Facts and Figures for DWs' Secondment





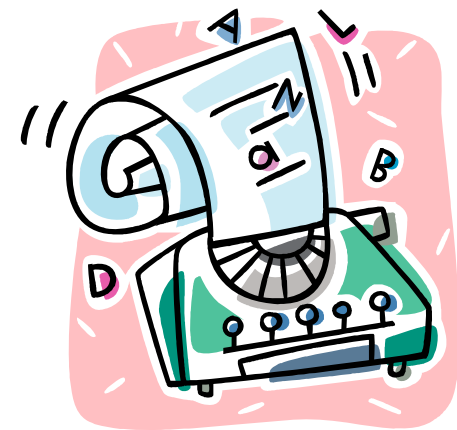
## Legal basis



**Entwicklungshelfer-  
Gesetz (EhfG)**  
**Development  
Workers` Act**



**provisions laid down by  
BMZ**



**guidelines for  
development workers**



## Benefits 2014

- |                          |          |          |
|--------------------------|----------|----------|
| • Basic living allowance | 792.48 € | taxable  |
| • Overseas bonus DW      | 762.00 € | tax-free |
| increase for spouse      | 304.80 € | tax-free |
| increase for child       | 152.40 € | tax-free |
- The overseas bonus for the Development Worker (DW) will be paid after arrival in partner country.



## Benefits

### Resettlement Allowance (RSA) tax-free

- RSA is divided into three levels recognising work experience under the Development Workers' Act or comparable organisations:

#### Development Worker:

Level 1: 91.44 €      Level 2: 193.04 €      Level 3: 294.64 €

#### Accompanying spouse and child:

Level 1: 40.64 €      Level 2: 60.96 €      Level 3: 81.28 €



## Benefits and Allowances

Lump-sum allowance for equipment, furniture and fittings (AEB)	3.352,80 € (taxable)
	30 % accompanying spouse, 20 % per child
Lump-sum allowance for furniture storage and baggage transportation (MAG)	2.235,20 € (taxable)
	30 % accompanying spouse, 20 % per child
Interest-free advance of one monthly living allowance (UUV)	1.500,00 € (tax-free)
	30 % accompanying spouse, 20 % per child
Baggage allowance to send baggage to home country	1.117,60 € (taxable)
	30 % accompanying spouse, 20 % per child



# Taxation of Living Allowance

**Due to a change in the interpretation of the legal basis, the living allowance, which has always been liable to taxation in principle, is now definitely taxed from 1st of January 2014.**



## Rent allowance

- Rent allowance for previous apartment: up to 3 months (base rent without additional costs – *Kaltmiete*).
- If you are an owner, the allowance is payable up to the local rent index of the property; in case you rent it to someone.





# Benefits

## Cost-of-living-adjustment tax-free



- Germany's Federal Statistical Office uses a special basket of goods for development workers to calculate the higher costs of living in the partner countries
- 80 % of:
  - basic allowance
  - + overseas bonus increase for spouse & children
  - + monthly AEB after 24 months in the project
- Adjustment calculated quarterly
- Rule for hardship cases: 10% buffer

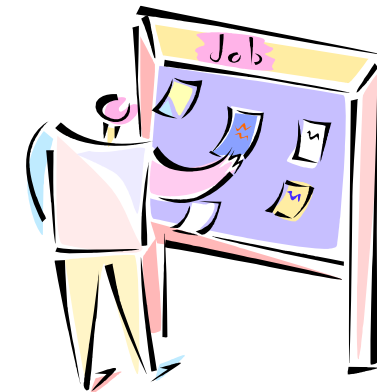




## Own income of family members

Any net income above EUR 450 earned by family members will be deducted from the living allowance!

This deduction does not effect any other benefits, except RSA and contributions to EUROPA Health Insurance.





# Benefits

## Childcare and school allowances

### Childcare expenses up to 14 years

- Only if development worker is a single parent  
or  
if both spouses are under contract with GIZ as development workers.
- 92,5% of expenses due to receipts
  - max. EUR 260/child/month

### Kindergarden and school expenses

- 92,5 % of all expenses
- Kindergarden, when the child turns three
  - school fees, admission fees and examination fees
  - school uniform
  - Deutsche Fernschule, school bus

General rule: max. limit on childcare and school expenses is  
**EUR 8,000 per child/year;**  
special approval for hardship cases authorised by SGE EH!



# Benefits

## Security

- German Embassy recommends professional guards/company
- Higher allowances maybe paid temporarily during a crisis, e.g. elections
- Adequate payment is made according to local custom



# Benefits

## official vehicles

- supply trips (trips for shopping, trips to schools and trips to doctors) can be allowed.
- At present 0.20 Cent/km are charged for private use of official vehicles. In future 0.30 Cent/km will be charged in accordance with regulations for field staff.
- It is up to the superior to allow supply trips/private use of official cars.



## Benefits

### Rent Allowance

- ▶ In cases where the project partner does not provide accommodation, the development worker will find his/her own (rented) accommodation.
- ▶ GIZ is required to help the development worker find suitable accommodation.
- ▶ Rent allowance is paid by GIZ country office according to a schedule of a rent index. The rent index is calculated by GIZ country office.



## Leave

- **Leave after orientation time in Germany**  
8 working days
- **Annual Leave**  
2.5 working days a month  
30 working days for a 5-day week/  
36 working days for a 6-day week
- **Compassionate Leave**  
In the case of death or life-threatening illness of a close family member: 2 days for traveling, 2 days extra holiday (including travel expenses)
- **Home Leave**  
In case of a contract extension of at least 12 months after the 2<sup>nd</sup>, 4<sup>th</sup> and 6<sup>th</sup> year of service (annual leave plus 8 working days and travel expenses)



# Social security

## Details of social security provision

Group health insurance (EUROPA) plus Unfallversicherung für Bund und Bahn, UV-Bund (Federal Government Accident Insurance Scheme)

Private Long-term care insurance (Continentale)

Pension scheme

Group accident insurance (AXA) for DW only during working hours, for accompanying family members 24 hours

Advisable: private accident insurance for DW (Mannheimer), at DW's own expense

Liability insurance, family members in home country included (Continentale)

Combined luggage and household insurance (Willis)



# Social security

## Group Health Insurance

- Development workers submit claims directly to EUROPA Health Insurance.
- GIZ country office will reimburse the development worker in advance, if the expenses exceed 20 % of monthly family's living allowance. Then GIZ will submit claims to EUROPA Health Insurance.
- Only accompanying family members are insured with EUROPA Health Insurance.
- Expenses over the max. rate by EUROPA can be claimed from Unfallkasse des Bundes, UK-Bund (Federal Government Accident Insurance Scheme)

Additional info under:

<https://dms.giz.de/dms/livelink.exe?func=ll&objId=67552007&objAction=browse&viewType=1>





# Social security

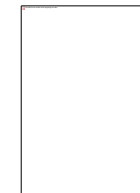
## Pension scheme

- GIZ pays contributions for all DW (EU-Nationals) into the german pension scheme (754,24 €/month)
- If DW paid higher contributions into the pension scheme from previous employment, this can be taken over by GIZ



## Social security

<b>Group Accident Insurance in case of:</b>	<b>Death</b>	<b>Invalidity</b>
Accompanying spouse	20.000 €	125.000 €
Children	20.000 €	125.000 €



This group insurance covers accompanying spouses and children for 24 hours worldwide. DW are only covered during the working hours and the trip from home to office and back.

**We strongly recommend a private accident insurance for DW for the free time/leiger time.**



# Social security

## Liability Insurance

- According to the provisions laid down by BMZ, all DW and their family members are covered in a liability insurance for 24 hours worldwide.

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<b>Damage to persons &amp; property</b>	<b>Assets</b>
3 Mio. €	100.000 €



## Social security

### combined luggage and household insurance

- DW can insure their luggage and household items. It is advisable to check the insurance value when leaving your home country, during your project time – in case you buy additional items – and at the end of your contract, before you travel back to your home country. Does the insurance value need to be changed or topped up?
- DW's retention is 50 € in case of each claim.

<b>GIZ provides</b>		<b>Cost*</b>	<b>Max. coverage</b>
DW	3.400,00 €	22,85 €/ p.a.	
Accompanying spouse	3.400,00 €	per 1.000 € insurance value	20.000,00 €
Accompanying child	1.000,00 €		

\* 1.000,00 € insurance value = 22,85 €/p.a. ≈ 1,90 €/per month