

## **IMPORTANT REQUIREMENT FOR SOLE TRADERS FROM OTHER COUNTRIES WHO ARE WORKING IN GERMANY – THE A1 CERTIFICATE**

### **WHAT is the A1 certificate?**

The A1 certificate certifies for you and your employer which social security legislation applies to you, i.e. in which country your social security and health insurance are based.

The form is issued by the country whose legislation applies to you. This is usually your country of origin.

When you present your A1 certificate to your employer, it tells them that you are not required to pay social security or health insurance contributions in Germany and ensures you receive treatment in the event that you become ill or have an accident.

### **WHERE and HOW do I apply for an A1 certificate?**

You must apply for an A1 certificate **BEFORE** you start work in Germany. For many construction projects, an A1 certificate is a condition of application and a requirement for permission to access the construction site.

You can apply for an A1 certificate from your health insurance scheme, which is able to issue certificates for a maximum of 24 months.

### **WHAT does an A1 certificate COST?**

The A1 certificate is issued to you free of charge by the competent authority.

### **HOW OFTEN do I have to apply for an A1 certificate and how long is it valid for?**

It is possible to issue project-related A1 certificates. In this case, the A1 will show the relevant project address and employer. Please note that consortium members must specify the client of the consortium and not the consortium itself. Where a project-related A1 certificate is issued, it will be valid only for the duration of the project in question.

However, under point 5 of the A1 certificate it is also possible to tick off point 5.3 to declare that you have no permanent residence in the country/countries where you are undertaking self-employed work. The A1 will then have general validity, can be issued for a maximum of 24 months and will need to be re-applied for on expiry. This option is better, because it enables you to work for several employers abroad and you will not need to apply for a new A1 certificate for each job.

### **WHAT HAPPENS IF I cannot produce an A1 certificate?**

You should always carry the original of your A1 certificate with you when you go to work in another country.

Otherwise:

- You may be refused access to the construction project
- You will **NOT** be covered by statutory insurance in the event of an accident (Statutory insurance only provides cover on presentation **BOTH** of your health insurance card **AND** of your A1 certificate)
- The German authorities may decide in the course of customs checks that the absence of your A1 certificate means you are liable for social security contributions in Germany and must pay additional contributions – which will be very expensive.
- In this case the German customs/financial authorities will impose a fine for illegal employment and you and your employer will get into serious difficulties.