Seminar
Japan-India Social Security Agreement

International Pension Division, Pension Bureau
Ministry of Health, Labour and Welfare

International Relations Group
Japan Pension Service

This material was created based on the information as of August 2016.
For latest information, please check the official website of the Japan Pension Service.
What is SSA (Social Security Agreement)?

The aim of SSA: To solve issues related to pension, etc. due to increasingly active cross-border movement of workers.

Before entry into force of SSA

- Dual coverage
  - Payment to Japanese pension system
  - Payment to Indian pension system
  - Dual enrollment and dual payment of contributions to pension systems of both countries

- Japanese worker in Indian branch of Japanese company

Coverage periods are not totalised

- No eligibility for Indian pension benefit as the minimum coverage period is not met.
  - (Minimum coverage period in India: 10 yrs)

- Working period in Japan
  - (15 yrs of enrollment in Japan)
  - (6 yrs of enrollment in India)
  - (19 yrs of enrollment in Japan)

- Not eligible for Indian pension benefit

After entry into force of SSA

- Dual coverage is avoided
  - Payment to Japanese pension system
  - Payment to Indian pension system

- Japanese employees will continue to enroll in the Japanese pension system if their detachment period is 5 yrs or less. They are exempted from the obligation to enroll in the Indian pension system.

Coverage periods are totalised

- In this example, total coverage periods become 40 yrs (34 yrs + 6 yrs), which meets the minimum coverage period under the Indian pension system.
  - (The amount of benefit will be based on 6 years’ contributions.)

- Working period in Japan
  - (40 yrs in total)
Status of SSA (as of 20 July, 2016)

(Source: official website of Ministry of Health, Labour and Welfare)
### Status of SSA (as of 20 July, 2016)

#### (1) Countries with SSA which has already entered into force: 15

<table>
<thead>
<tr>
<th>Country</th>
<th>Date Entered into Force</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>Enter into force in Feb, 2000</td>
</tr>
<tr>
<td>U.K.</td>
<td>Enter into force in Feb, 2001</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>Enter into force in Apr, 2005</td>
</tr>
<tr>
<td>U.S.A.</td>
<td>Enter into force in Oct, 2005</td>
</tr>
<tr>
<td>Belgium</td>
<td>Enter into force in Jan, 2007</td>
</tr>
<tr>
<td>France</td>
<td>Enter into force in June, 2007</td>
</tr>
<tr>
<td>Spain</td>
<td>Enter into force in Dec, 2010</td>
</tr>
<tr>
<td>Ireland</td>
<td>Enter into force in Dec, 2010</td>
</tr>
<tr>
<td>Brazil</td>
<td>Enter into force in Mar, 2012</td>
</tr>
<tr>
<td>Switzerland</td>
<td>Enter into force in Mar, 2012</td>
</tr>
<tr>
<td>Hungary</td>
<td>Enter into force in Jan, 2014</td>
</tr>
<tr>
<td>Australia</td>
<td>Enter into force in Jan, 2009</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Enter into force in Mar, 2009</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Enter into force in Jun, 2009</td>
</tr>
</tbody>
</table>

#### (2) Countries with SSA which has been signed: 4

<table>
<thead>
<tr>
<th>Country</th>
<th>Date Signed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>Feb, 2009</td>
</tr>
<tr>
<td>India</td>
<td>Nov, 2012</td>
</tr>
<tr>
<td>Philippines</td>
<td>Nov, 2015</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>Oct, 2014</td>
</tr>
</tbody>
</table>

(To Enter into force on 1st October, 2016)

#### (3) Under official negotiation between governments: 4

<table>
<thead>
<tr>
<th>Country</th>
<th>Inter-govt Negotiation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweden</td>
<td>2nd inter-govt negotiation held in Jun, 2016</td>
</tr>
<tr>
<td>China</td>
<td>5th inter-govt negotiation held in Jun, 2016</td>
</tr>
<tr>
<td>Turkey</td>
<td>5th inter-govt negotiation held in Apr, 2016</td>
</tr>
<tr>
<td>Slovak Republic</td>
<td>1st inter-govt negotiation held in Dec, 2015</td>
</tr>
</tbody>
</table>

#### (4) Under preliminary consultation: 2

<table>
<thead>
<tr>
<th>Country</th>
<th>Consultation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>3rd inter-authority consultation held in Dec, 2013</td>
</tr>
<tr>
<td>Austria</td>
<td>4th inter-authority consultation held in Jun, 2015</td>
</tr>
</tbody>
</table>

(Source: official website of Ministry of Health, Labour and Welfare)
(Reference) Process to entry into force of SSA

- Preliminary consultation
- Intergovernmental negotiation
- Signing of agreement
- Approval in the Diet
- Related rules and ordinances created
- Exchange of Diplomatic Notes
- Seminars to related parties

Basic rules for implementing the agreement (administrative arrangements) and details (forms and etc.) are also discussed in the course of the process before exchange of diplomatic notes.
Japan-India Social Security Agreement

Date of Entry into Force

1st of October, 2016

Social security systems in scope of the Agreement

Pension systems of Japan and India

- Japan: National Pension Plan and Employee’s Pensions Insurance
- India: Employees’ Pension Scheme (EPS), Employees’ Pension Fund (EPF), etc.
Japan-India Social Security Agreement

3 Key Points

1. Dual coverage is avoided
2. Coverage periods are totalised
3. Pension institutions are authorised to receive application forms for their counterpart
Point 1: Avoidance of dual coverage

How is the dual coverage avoided under the Japan-India SSA?

Employees who are detached overseas have to enroll, in principle, only in the social security system of the country to which they are detached.

→ However, under the Japan-India SSA, those employees detached overseas can continue to be enrolled in the system of the country from which they are detached if the detachment is expected to be 5 years or less.

Please also note:
Self-employed persons are not subject to this arrangement.

(Reason: There is no mandatory pension system for self-employed persons in India. Therefore, the issue of dual payment does not occur among self-employed persons.)
Point 1: Avoidance of dual coverage

If the detachment becomes more than 5 years:

Such cases will be individually discussed between the institutions in Japan and India. Extension is granted if the case has occurred due to unexpected circumstances and the both sides agree with the extension.

Please note that, under the Japan-India SSA, the duration of such extension should not exceed 3 years.

[Special Measures] Individual cases where Japanese employees cannot enroll in the Indian pension system due to their income amount:

In the case of Japanese employees whose income is above a certain level, they cannot enroll in the Employees’ Pension Scheme (EPS) of India. Such employees can continue to enroll in the Japanese pension system even if their detachment to India exceeds 8 years (first 5 year of detachment and 3 years of extension).

* “International workers” who earn more than 15,000 rupees per month cannot enroll in the EPS in accordance with the revised Indian pension system, which came into force in September, 2014.
Point 1: Avoidance of dual coverage

For employees who have been detached before SSA comes into force

Employees who are already in India at the time of entry into force of SSA will be exempted from the obligation to enroll in the Indian system as from the date of its entry into force, if the length of their detachment in India from that date is expected to be 5 years or less.

Detached to India  △  Entry into force of SSA  △  No need to enroll in the Indian system

Continued enrollment in the Japanese system  △  Return to Japan

5 yrs or less
Point 1: Avoidance of dual coverage

**Accompanying spouses and children of the detached employee**

A spouse accompanying an employee who is detached to India from Japan will continue to enroll in the Japanese pension system. Indian pension will not be applied to the spouse unless he/she has a job in India.

* In the case of employees who are detached from India to Japan and exempted from the obligation of enrollment in the Japanese pension system, their accompanying spouses and children are also exempted from the obligation under certain conditions. (The case does not apply if they wish to enroll in the Japanese system.)

**(FYI) Voluntary enrollment in Employee’s Pension Insurance**

- For Japanese employees, who are obliged to enroll in the Indian pension system because they are not applicable to the “special measures” noted on Page 9, there is a special arrangement under the Employee’s Pension Insurance enabling those employees to continue to enroll in the Japanese system.
- In this case, the employees will enroll in both Indian pension system (mandatory) and Japanese pension system (voluntary). The benefit amount to be paid from the Japanese system will increase in accordance with the amount of contributions paid to the system.
**Point 2: Totalisation of coverage periods**

* Pension amount will be calculated and granted based on the rules of each country.*
Point 2: Totalisation of coverage periods

- Under the Japan-India SSA, coverage period in the counterpart country can be added to meet the qualification requirement (minimum coverage period) for pension benefit.

More specifically …

- **Japan’s old-age pension requires a coverage period of 25 years as of today.** If your coverage period does not meet the 25 years requirement, your coverage period in the Indian pension system (EPS) can be added so long as the periods in Japan and India do not overlap.

- **India’s old-age pension (EPS) requires a coverage period of 10 years as of today.** If your coverage period does not meet the 10 years requirement, your coverage period in the Japanese pension system can be added so long as the periods in India and Japan do not overlap.
Point 2: Totalisation of coverage periods

Example: a case of old-age pension

<table>
<thead>
<tr>
<th>Coverage period in Japan</th>
<th>Coverage period in Japan</th>
<th>Coverage period in India</th>
</tr>
</thead>
<tbody>
<tr>
<td>16 yrs</td>
<td>5 yrs</td>
<td>6 yrs</td>
</tr>
</tbody>
</table>

Before entry into force of SSA

- **Japan (old-age pension)**
  
  Qualification requirement:
  
  coverage period of 25 yrs or longer

  21 yrs < 25 yrs  **NOT QUALIFIED**

- **India (old-age pension)**

  Qualification requirement:

  Coverage period of 10 yrs or longer

  6 yrs < 10 yrs  **NOT QUALIFIED**

After entry into force of SSA

- **Japan (old-age pension)**

  21 yrs + 6 yrs = 27 yrs > 25 yrs  **QUALIFIED**

  Note that the amount to be paid from Japanese pension system will be determined based on the length of the coverage period in Japan (in above case, 21 yrs.)

- **India (old-age pension)**

  21 yrs + 6 yrs = 27 yrs > 10 yrs  **QUALIFIED**

  Note that the amount to be paid from Indian pension system will be determined based on the length of coverage period in India (in above case, 6 yrs.)
When the coverage periods are overlapping

Coverage period in Japan: 21 yrs

17 yrs of enrollment in Japan

Overlapping years: 4 yrs

3 yrs of enrollment in India

Coverage period in India: 7 yrs

Totalised coverage periods: 24 yrs

The overlapping periods will not be double-counted.

※ In totalising coverage periods, overlapping periods, in which you enrolled in the pension systems of both Japan and India, will be counted only once.

→ In the example above, the totalised coverage period is long enough to gain eligibility in India (minimum: 10 yrs), but not in Japan (minimum: 25 yrs).
Point 2: Totalisation of coverage periods

Disability Pension & Survivor’s Pension

Example:
The date of first medical examination or death occurred during the period when the employee is enrolled in the Indian pension system.

Eligibility for pension benefit will be decided with reference to the totalised coverage periods.

Under the Japan-India SSA, the coverage periods in Japan and in India can be totalised in order to meet the contribution requirement of having paid, or being duly exempted to pay, contributions to the pension system for the period of two-thirds or more against the total coverage periods until the date of the first medical examination (in case of disability pension) or death (in case of survivor’s pension).

Disability pension or survivor’s pension in Japan requires the beneficiary to be covered by the Japanese pension system on the date of the first medical examination (disability pension) or death (survivor’s pension). However, under the Japan-India SSA, the beneficiary is deemed as being covered by the Japanese pension system so long as he/she is covered by the Indian pension system in meeting this requirement (deemed coverage period).
Point 3: Receipt of Application Forms

**Before entry into force of SSA**
- The applicant had to submit the application for Japanese pension to a pension institution in Japan only.
- In the case of application for Indian pension, the applicant had to submit the application to the pension office in India only.

**After entry into force of SSA**
- Application for the Indian pension can be submitted to a pension institutions in Japan.
- Application for Japanese pension can be submitted to a pension institution in India

Japanese pension offices mainly accept applications for following Indian pension systems:
- **EPS**: Employees' Pension Scheme
- **EPF**: Employees' Provident Fund
Process of application: Certificate of Coverage
(In the case of temporary detachment to India from Japan)

“Certificate of Coverage” needs to be issued before you depart for India in order to receive exemption from the obligation to enroll in Indian pension system.

- **Process of issuing “Certificate of Coverage”**

1. **Apply**
   - Application for Certificate of Coverage (Continuance/Extension of Certified Coverage Period)

2. **Issue**
   - Certificate of Coverage

3. **Issue**
   - Certificate of Coverage

4. **Submit**
   - Certificate of Coverage

5. **Show the certificate if necessary**
   - Certificate of Coverage

Japanese company

Pension office

Employee detached

Employer in India

EPFO
Process of application: Certificate of Coverage
(In the case of temporary detachment to India from Japan)

Certificate of Coverage to be issued by Japanese institution

(Front)

(Back)
Process of application: Certificate of Coverage
(In the case of temporary detachment to India from Japan)

Application form for “Certificate of Coverage”

*This application form is available on the official website of Japan Pension Service.
Process of application: Extension of detachment period
(In the case of temporary detachment to India from Japan)

The employer in Japan should submit “Application for Continuance/Extension of Certified Coverage Period” to obtain a new certificate of coverage for the employee. (And please hand over the issued certificate to the detached employee.)
Process of application: Certificate of Coverage
(In the case of temporary detachment to India from Japan)

Process for the employees who had been detached before SSA

① Required process in Japan
The employer in Japan should apply for “Certificate of Coverage” at a Pension Office in Japan. (Please hand over the certificate to the detached employee).

② Required process in India
The employer should take the procedure to withdraw from the Indian pension system at EPFO (Please present the certificate of coverage obtained in Japan to EPFO, when required).
Process of application: Application for Indian pension

- How to apply for Indian pension for applicants who were enrolled in the Indian pension system and currently live in Japan

1. Send application form
   - Application for Indian pension (IN/JP4)
   - Application for Indian lump sum payment (IN/JP1) (IN/JP2) (IN/JP3) (IN/JP5)

2. Send application form
   - Send application noted in 1

3. Send application form and notify
   - Send application noted in 1
   - Notify applicant's coverage period in Japan

4. Decision on paying benefit, etc.
   - Results of the decision on paying Indian pension benefit will be notified directly to the applicant.
Process of application: Application for Indian pension

ATTENTION!

Please note the following in applying for Indian pension:

- Need to attach a “1 rupee revenue stamp” on the application form for Indian pension.
- Furthermore, you need “Attestation by the employer in India” about the contents of application for Indian pension.

Please obtain “1 rupee revenue stamp” with the help of the Indian office of your company.

Application for EPF can be done immediately after becoming no longer an employee of an Indian company. It is advised to obtain “1 rupee revenue stamp” and “Attestation by the employer” before departing from India.
Process of application: Certificate of Coverage
(in the case of temporary detachment to Japan from India)

Where to obtain Certificate of Coverage

Please apply for the certificate of coverage for the employees to be detached to Japan on a temporary basis at the Employees’ Provident Fund Organisation (EPFO)
Process of application: Certificate of Coverage
(in the case of temporary detachment to Japan from India)

For employees who had been detached to Japan before SSA

① Required process in India
The employer should apply for Certificate of Coverage to EPFO. (Please hand over the certificate to the detached employee.)

② Required process in Japan
The employer should take the procedure to withdraw from the Japanese pension system at Japan Pension Service (Pension Office). Please present the certificate issued in India in the course of the withdrawal process.
Process of application: Certificate of Coverage (in the case of temporary detachment to Japan from India)

- [Sample] Certificate of Coverage (issued in India)
  (Front)
  (Back)
How to apply for Japanese pension for applicants who were enrolled in the Japanese pension system and currently live in India

1. Send application form
   - "Claim for National Pension / Employee's Pension Insurance (JP/IN1 or JP/IN2 )
     JP/IN1 ⇒ For old age or disability pension
     JP/IN2 ⇒ For survivor’s pension

2. Send application form and notify
   - Send the application form in ①
   - Notify applicant’s coverage of periods in India

3. Decision on paying benefit, etc.
   - Results of decision on paying Japanese pension benefit will be notified directly to the applicant.
Please note the following in applying for Japanese pension

- **Applying for pension benefit**
  Please submit your application form together with necessary documents to pension office after you become eligible for pension benefit.

- **Payment of pension benefit**
  You will start receiving pension benefit from the following month of the month in which you obtained the right to receive pension. The pension is paid six times (on even-number months) in a year in principle. One payment contains pension for two months.

- **Duration of prescription for payment of benefits**
  5 years
Official website of Japan Pension Service

http://www.nenkin.go.jp/service/kaigaikyoju/shaho-kyotei/

Or

Japan Pension Service   social security agreement

You can find....

- Overview of SSA and process
- Application forms
- Links to the websites of partner countries of the SSA

- Status of latest entry into force of social security agreement
For inquiry on Japanese pension, please contact:

- For General pension information (*Nenkin Dial*)
  
  (From inside Japan)
  
  0570-05-1165 ("Navi Dial")
  
  (From outside Japan)
  
  +81-3-6700-1165 (Ordinary call)

* Call charges to be paid by caller

- Please check the details, such as open hours, on the official website of Japan Pension Service.
For inquiry on Indian pension, please contact:

Employees' Provident Fund Organisation (EPFO)

http://www.epfindia.com/site_en/ (English)