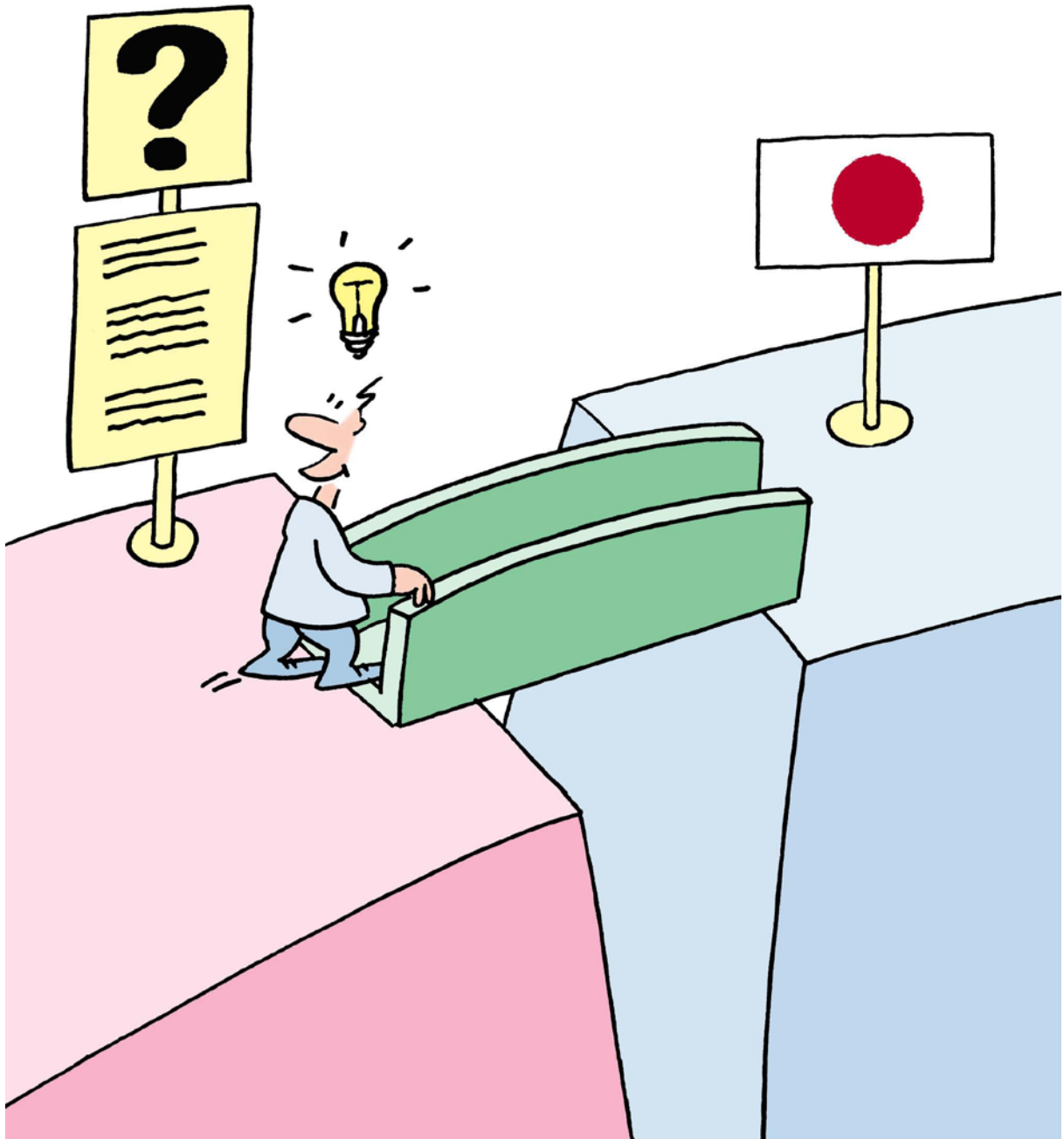




Social security agreement between Switzerland and Japan





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1 The agreement in brief

Signed on 22 October 2010, the [bilateral social security agreement between the Swiss Confederation and Japan](#) came into force on 1 March 2012. The purpose of the agreement is to ensure that Swiss and Japanese nationals receive equal treatment, wherever possible, in respect of their social security entitlements and to determine to which national social security system a person is subject to.

The agreement sets out the requirements that a person must satisfy in order to claim Swiss or Japanese old-age, survivors' and disability pensions, as well as to qualify for rehabilitation measures from the Swiss disability insurance scheme. At the same time, the agreement sets out the rules on exporting these benefits. The Japanese social security system will take into account periods of insurance completed in Switzerland in cases where the claimant does not meet the minimum contribution period of 25 years for a Japanese pension.

The purpose of this leaflet is to provide an overview on the coordination of the social security systems of Switzerland and Japan. To the examination of individual cases only the relevant legal provisions and international agreements shall apply.

2 Material scope

Which Swiss legal provisions are covered by the agreement? The agreement covers the Swiss Federal Legislation on the Old-Age and Survivors' Insurance (OASI), the Disability Insurance (DI) and the Health Insurance (HI).

Which Japanese legal provisions are covered by the agreement? The agreement covers the Japanese legal provisions on compulsory old-age and survivors' insurance and on sickness insurance.

3 Personal scope

Who is covered by the agreement? The agreement applies to Swiss and Japanese nationals, persons with a permanent Japanese residence permit as well as their family members (spouse and children) and surviving dependents.

Are third-state nationals covered by the agreement? The provisions governing applicable legislation (affiliation provisions) may also apply to persons who are not Swiss or Japanese nationals (third-state nationals). The provisions on workers posted temporarily to one of the contracting States by their employer, which has its headquarters in the other contracting State, apply equally to third-state nationals (posting).

4 Basic principles: equal treatment, export of benefits and totalization

What does equality of treatment mean? The agreement stipulates the principle of equality of treatment.
This means in practice that Japanese nationals shall be treated in the same way as Swiss nationals as regards the entitlements and obligations under Swiss old-age, survivors' and disability insurance legislation.
Likewise, Swiss nationals shall be treated in the same way as Japanese nationals as regards the entitlements and obligations under the Japanese social security schemes covered by the agreement.

Are there exceptions? There are, however, exceptions to the principle of equal treatment. For example, only Swiss nationals living abroad (outside EU/EFTA member States) may join the voluntary OASI/DI scheme.
A number of Swiss benefits (e.g. supplementary benefits) may not be exported, neither for Swiss nationals nor for Japanese nationals.

What does export mean? This means that Swiss and Japanese nationals are entitled to receive their pension payments even though they no longer live in the State paying their benefit.

What does totalization mean? This means that Swiss insurance periods are taken into account (totalized) when a person to whom the agreement applies and who is claiming a Japanese benefit that is covered by this agreement does not satisfy the minimum contribution period of 25 years required by Japanese legislation for entitlement to benefits (see section 8 on claiming Japanese benefits). The totalization includes periods of insurance prior to the entry into force of the agreement.

Entitlement to Swiss pensions is exclusively based on contributions paid to the Swiss social security system.

However, the calculation and the amount of a pension from one of the contracting States are determined solely by the contributions paid in that State.

5 Affiliation/ compulsory insurance cover

What is meant by the principle of affiliation to the social security legislation of the country of employment? A person is subject to the legal provisions on compulsory insurance cover in the contracting State on whose territory this person works (principle of being subject to the social security legislation of the country of employment).

This means that a Japanese employee working exclusively in Switzerland is in principle subject to Swiss social security legislation and must therefore contribute to the compulsory Swiss social security schemes. Self-employed persons must also pay contributions to the relevant compulsory social security schemes in the State where they work.

Individuals who are gainfully employed in both Switzerland and Japan are subject to the compulsory social security schemes in both States. However, the social security system of each State will consider only the income earned on its territory.

I work on a sea-going vessel The crew of a vessel sailing under the Swiss or Japanese flag are, in principle, subject to the social security legislation of the flag State. However, if the employer has its headquarters or place of business in either of the contracting States, then the crew member is subject to the social security legislation of that State.

Which social security contributions are compulsory in Switzerland? Individuals who are subject to compulsory insurance in Switzerland must contribute to the old-age, survivors' and disability insurance schemes, the accident insurance scheme, the unemployment insurance scheme (for employees), as well as the compensation for loss-of-income/maternity insurance scheme. The employer registers its employees with its compensation fund and deducts the employees' compulsory insurance contributions directly from their salary.

An overview of contribution rates can be found at the following [link](#) (in French, German or Italian).

What about health insurance? As a rule, anyone taking up residence in Switzerland must take out health insurance cover with an authorized Swiss insurer within three months of arriving on Swiss territory. A list of current premiums, by health insurance fund and canton/region, can be found at www.priminfo.ch (in French, German or Italian).

What about the occupational pension plan? The agreement does not apply to the Swiss occupational old-age, survivors' and disability insurance scheme (Occupational Pension Act - OPA). Under Swiss legislation however, employees being subject to the compulsory OASI insurance are also insured in the compulsory occupational pension plan if they meet a number of requirements (in particular with regard to minimum qualifying age and salary).

6 Postings – an exception to the rule

Maintaining affiliation to the legislation of the State of origin Employees who are posted temporarily to the territory of Japan by their Swiss employer remain subject to Swiss social security legislation and therefore must continue to contribute to the compulsory Swiss insurance schemes (including health and accident insurance). They are exempted from contributions to the Japanese system to the extent of the material scope of this Agreement.

Likewise, employees who are posted temporarily to the territory of Switzerland by their Japanese employer remain subject to Japanese social security legislation.

What does temporarily mean? As a rule, a person may be posted for a maximum of five years.

What conditions apply? In the interests of worker protection, a posting presupposes that the persons concerned are already insured under the social security system of the State of origin before taking up employment in the host State. In addition, the employer must intend to continue to employ such workers once the posting comes to an end.

A direct employment relationship between employees and employer must continue to exist for the entire duration of the posting. In particular only the employer who posts workers abroad is in the position to terminate the employment contract. The employer must broadly define the type of work that the posted employees will perform. The posted employees must work in the interests and on behalf of their employer, but the salary doesn't have to be paid directly by the latter.

Issue of the certificate of posting/coverage The employer asks the competent institution in the sending State to issue a certificate of posting (also called 'certificate of coverage' in Japan).

This certificate confirms that the posted worker continues to be subject to the social security legislation of the State of origin for the duration of the posting. As such, the worker is exempt from contributions to the compulsory social security schemes of the State of employment which are covered by the agreement.

Competent institutions In Switzerland the competent institutions are the [OASI compensation funds](#). The application form for a certificate of posting as regards **postings from Switzerland** can be downloaded at the following [link](#) (Application to remain subject to Swiss social insurance legislation during the temporary exercise of a professional activity abroad).

In Japan the competent authority is the Japan Pension Service (www.nenkin.go.jp).

May the posting be extended? Should the posting exceed the maximum time limit of five years, the competent authorities in the sending State may grant an extension of one further year (i.e. up to a maximum total period of 6 years). The competent authorities are:

- in Switzerland: Federal Social Insurance Office (www.bsv.admin.ch)
- in Japan: the Japan Pension Service (www.nenkin.go.jp)

The application form for extending **postings from Switzerland** is available at the following [link](#) (Application to remain subject to Swiss social insurance legislation during the temporary exercise of a professional activity abroad).

What about family members? Family members (spouse and children) accompanying a worker posted from Switzerland to Japan remain subject to Swiss social security legislation provided that they are not in gainful employment in Japan.

More detailed information on postings can be found in the fact sheet [“Social security for posted workers. Contracting States, outside EU/EFTA”](#).

Information on social security schemes not covered by the agreement can be found in the fact sheet [“Social Security for posted workers – Non-contracting States”](#).

7 Swiss old-age, survivors' and disability benefits

Retirement age in Switzerland The ordinary retirement age in Switzerland is 64 for women and 65 for men.

Old-age benefits - Work periods in Switzerland and Japan Japanese and Swiss nationals who have worked both in Switzerland and Japan have contributed to both national social security systems. They will therefore receive partial pensions from each State provided that they meet the legal requirements of each State. The rate of the pension they receive will inter alia depend on their insurance record in each State.

Who can claim old-age and survivors' benefits?	<p>Japanese nationals can claim a Swiss old-age pension (full or partial) under the same conditions as Swiss nationals. This applies equally to Swiss survivors' pensions (widow's/widower's/orphan pension).</p> <p>To qualify for a Swiss old-age pension, the claimant must have contributed to the Swiss old-age insurance scheme for at least one year. Survivors can claim a survivors' pension provided that the deceased had paid contributions to the Swiss social security system for a minimum period of one year.</p>
Can old-age and survivors' pensions be exported?	<p>Under Swiss legislation, Swiss nationals may draw a Swiss pension regardless of the country in which they live.</p> <p>According to the bilateral agreement, a Japanese national can claim a Swiss pension under the same conditions that apply to Swiss nationals. The pension can thus be exported to any country.</p>
A lump-sum payment instead of a pension?	<p>Japanese nationals or their survivors who do not reside in Switzerland and who qualify for a Swiss old-age and survivors' pension which is not 10% more than the full ordinary pension receive a one-off lump-sum payment instead of a partial pension. If the old-age or survivors' pension is more than 10% but less than 20% of the full ordinary OASI pension, they can choose between a partial pension or a one-off lump-sum payment.</p> <p>Once the one-off lump-sum has been paid or the contributions refunded, it is no longer possible to make further claims against the Swiss OASI/DI schemes in respect of paid contributions or corresponding insurance periods.</p>
Occupational pensions?	<p>Under the relevant federal legislation (OPA), Swiss and foreign nationals receive equal treatment, i.e. the payment of pensions and other benefit entitlements abroad depend on the statutes and internal regulations of the claimant's pension fund. If Japanese nationals have paid Swiss occupational pension contributions, upon leaving Switzerland permanently (outside EU/EFTA member States) they may request that their departure benefit is paid out as a lump-sum. The request for payment in cash of the departure benefit must be submitted to the competent pension fund or the occupational pension insurance institution (insurance or bank).</p>
Disability benefits	<p>Swiss disability insurance legislation provides for the payment of cash benefits (pensions and daily allowances) and rehabilitation measures.</p>
What are rehabilitation measures?	<p>Rehabilitation measures are provided by the Swiss disability insurance scheme with a view to improving the working capacity of individuals with disabilities. These measures can be occupational (career counselling, initial vocational training and retraining), medical, or involve the provision of aids (e.g. wheelchair).</p>

Entitlement to, and export of rehabilitation measures The agreement facilitates the access for Japanese nationals living in Switzerland to Swiss DI rehabilitation measures.

Persons

- a) who are subject to compulsory insurance contributions** Japanese nationals, who were subject to compulsory Swiss old-age, survivors' and disability insurance contributions immediately prior to the onset of their disability, may qualify for rehabilitation measures provided that they continue to reside in Switzerland. Rehabilitation measures cannot be exported.
- b) who are not subject to compulsory insurance contributions, but are insured in the OASI/DI** Japanese nationals who, immediately before rehabilitation measures come into consideration, are not subject to compulsory insurance contributions because they fail to meet the age-related conditions, but who are insured under the Swiss old-age, survivors' and disability schemes on the basis of their domicile in Switzerland, may qualify for rehabilitation measures provided that they satisfy certain conditions: the person must reside in Switzerland and have lived there uninterrupted for a minimum of one year prior to rehabilitation measures being called for. Rehabilitation measures cannot be exported.

Right of disabled children to rehabilitation measures

Minor children may qualify for Swiss disability insurance rehabilitation measures provided that they reside in Switzerland, were born disabled there or have lived in Switzerland without interruption since their birth. Rehabilitation measures for minor children cannot be exported.

Specific provisions apply to ensure that children born disabled in Japan receive equal treatment. In certain circumstances, the Swiss disability insurance scheme will cover the costs arising from a congenital illness.

Entitlement to disability pensions

If a Japanese national meets the qualifying requirements stipulated in Swiss disability insurance legislation (i.e. a Swiss minimum insurance period of three years as well as conditions pertaining to the degree of disability), this person may be entitled to a Swiss DI pension, possibly a partial one (prorated to the contributions paid in Switzerland).

Can disability pensions be exported?

Ordinary Swiss DI pensions can be exported, provided the degree of disability is at least 50%. In other words: DI pensions of Swiss and Japanese nationals whose degree of disability is at least 50% can be exported worldwide.

Japanese and Swiss nationals whose degree of disability is less than 50% will only receive a Swiss disability pension if they reside in Switzerland.

Click on the link below for more information on the Swiss social security system ([booklet "Social Security in Switzerland"](#)).

8 Japanese old-age, survivors' and disability benefits

Eligibility for a Japanese pension Individuals can apply for Japanese benefits if this Agreement so provides and if they can prove a contribution period of 25 years in Japan.

Recognition of Swiss insurance periods If a claimant does not satisfy the Japanese contribution period to qualify for a Japanese pension (i.e. minimum contribution period of 25 years), his/her periods of insurance in Switzerland are taken into account. Such periods of insurance acquired in Switzerland shall not include a period for which the claimant has received a contributions' refund.

Export of Japanese benefits Japanese benefits may also be paid out to claimants living in third States.

Click [here](#) for more information on the Japanese social security system and benefits.

9 Competent authorities, liaison bodies and contact points

Benefit claims

- Individuals **living in Switzerland** should submit their Japanese benefit claims to the Swiss Compensation Office (SCO).
- Individuals **living in Japan** should submit their Swiss benefit claims to the Japan Pension Service.

Swiss competent authority

Federal Social Insurance Office (FSIO)
Effingerstrasse 20, 3003 Bern
www.bsv.admin.ch

Swiss liaison body for OASI/DI

Swiss Compensation Office (SCO)
Av. Edmond-Vaucher 18, Post office box 3100
1211 Geneva 2
www.zas.admin.ch

Japanese competent authority

Japan Pension Service
Department of External Coordination
Overseas Payments and International
Agreements
3-5-24, Takaido-Nishi, Suginami-ku
Tokyo 168-8505, Japan
Tel. + 81 3 5344 1100
www.nenkin.go.jp

Contact points in Switzerland

Queries and requests should be sent to the following bodies in Switzerland:

Queries regarding the export of OASI/DI pensions	Swiss Compensation Office (SCO)
Applications regarding postings from Switzerland (certificate of posting)	Competent compensation fund (see Section 6)
Queries regarding extended postings	Federal Social Insurance Office (FSIO)

Contact points in Japan

Applications regarding postings from Japan (certificate of posting/coverage)	Japan Pension Service
Competent office for extensions of temporary postings	Department of External Coordination Overseas Payments and International Agreements
Queries regarding Japanese benefits / export of Japanese pensions	3-5-24, Takaido-Nishi, Suginami-ku Tokyo 168-8505, Japan Tel. + 81 3 5344 1100 www.nenkin.go.jp