### **AGREEMENT**

### ON SOCIAL SECURITY

### **BETWEEN**

### THE REPUBLIC OF THE PHILIPPINES

### **AND**

### THE KINGDOM OF DENMARK

The Government of the Republic of the Philippines

and

The Government of the Kingdom of Denmark

wishing to strengthen the mutual relations between the two countries in the field of social security, decided to conclude an Agreement for this purpose and agreed as follows:

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#### **PART I**

### GENERAL PROVISIONS

### Article 1 Definitions

- 1. For the implementation of this Agreement:
  - a) "Contracting State" means:
    the Kingdom of Denmark, hereinafter referred to as Denmark;
    or
    the Republic of the Philippines, hereinafter referred to as the
    Philippines;
  - in relation to Denmark, its national territory with the exception of Greenland and the Faroe Islands; or in relation to the Philippines, the territory of the Philippines;
  - j) "National" means:
     as regards Denmark, a person with Danish citizenship; or
     as regards the Philippines, a person with Filipino citizenship;
  - d) "Legislation" means: the laws specified in Article 2 of this Agreement or any rules, regulations, schemes, orders or notifications framed thereunder;
  - e) "Competent Authority" means:
    as regards Denmark, the Minister for Social Affairs and Integration; or
    as regards the Philippines, the President and Chief Executive Officer of the Social Security System and the President and General Manager of the Government Service Insurance System, each to the extent that they are responsible under the legislation specified in Article 2 (1) (b) of this Agreement;

f) "Competent Agency" means:

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as regards Denmark, the institution responsible for the application of the Danish legislation; or as regards the Philippines, the Social Security System and the Government Service Insurance System, each to the extent that they are responsible under the legislation specified under Article 2 (1) (b) of this Agreement;

- "Insurance period" means: g) any period of contributions or residence recognized as such in the legislation under which that period was completed, as well as any period recognized as equivalent to a period of contribution under that legislation;
- b) "Benefit" means: any benefit provided for in the legislation specified in Article 2 of this Agreement;
- i) "Family member" means: any person defined or recognized as a family member under the legislation of the Contracting States; and
- i) "Residence" means: ordinary residence lawfully established.
- 2. Any term not defined in paragraph 1 of this Article shall have the meaning assigned to it in the applicable legislation.

### Article 2 Legislative Scope

- 1. This Agreement shall apply:
  - a) as regards Denmark, to:
    - the Social Pensions Act and the regulations made thereunder:
    - the Act on the highest, the intermediate, the increased ii. ordinary and the ordinary anticipatory pension; and the regulations made thereunder; and CERTIFIED TRUE COPY

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- iii. the Labour Market Supplementary Pension (ATP) Act and the regulations made thereunder.
- b) as regards the Philippines, to:
  - i. the Social Security Law of 1997 as it relates to retirement, disability and death benefits;
  - ii. the Government Service Insurance Act of 1997 as it relates to retirement, disability, death and survivorship benefit; and
  - iii. the Portability Law as it relates to totalizing creditable periods and service under the laws specified in subparagraphs i and ii of this Article.
- 2. This Agreement shall also apply to all legislation which will amend or extend the legislation specified in paragraph 1 of this Article.

It shall apply to any legislation which will extend the existing schemes to new categories of beneficiaries, unless, in this respect, the Contracting State which has amended its legislation notifies within six months from the official publication of the said legislation the other Contracting State of its objections to the inclusion of such new categories of beneficiaries.

This Agreement shall not apply to legislation that establishes a new social security branch, unless the Competent Authorities of the Contracting States agree on this application.

# Article 3 Personal Scope

Unless otherwise specified, this Agreement shall apply to all nationals who are or have been subject to the legislation of either of the Contracting States, and other persons who derive rights from such persons.

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# Article 4 Equality of Treatment

Unless otherwise provided in this Agreement, the persons specified in Article 3 of this Agreement, who ordinarily reside in the territory of a Contracting State, shall receive equal treatment with nationals of that Contracting State in the application of the legislation of that Contracting State.

## Article 5 Export of Benefits

Unless otherwise specified in this Agreement, a Contracting State shall not reduce or modify benefits acquired under its legislation solely on the ground that the beneficiary stays or resides in the territory of the other Contracting State, and that these benefits shall be paid in the territory of the other Contracting State.

# Article 6 Reduction or Suspension Clauses

The reduction or suspension clauses provided for in the legislation of one Contracting State, in case one benefit coincides with other social security benefits or with other professional incomes, shall be applied to the beneficiaries, even if these benefits were acquired by virtue of a scheme of the other Contracting State, or if the related professional activities are exercised in the territory of the other Contracting State. However, this provision shall not apply when benefits of the same nature coincide.

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#### **PART II**

#### PROVISIONS CONCERNING THE APPLICABLE LEGISLATION

### Article 7 General Provisions

Subject to Articles 8 to 10 of this Agreement, the applicable legislation is determined according to the following provisions:

- a) Unless otherwise provided in this Agreement, a person covered by this Agreement shall be subject to the legislation of the Contracting State in whose territory the person resides;
- b) A worker or a self-employed person who resides in the territory of one Contracting State and works or carries on his or her occupation in the territory of the other Contracting State is subject to the legislation where he or she is employed or selfemployed;
- c) A person who is a member of the flying personnel of an enterprise which, for hire or reward or on its own account, operates international transport services for passengers or goods and has its registered office in the territory of a Contracting State shall be subject to the legislation of that Contracting State; and
- d) A person who works as an employee on board a ship that flies the flag of a Contracting State shall be subject to the legislation of the Contracting State whose flag the ship flies. CERTIFIED TRUE COPY

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Article 8
Special Provisions

1. Where a person who is normally employed in the territory of a Contracting State by an employer in that territory is sent by that employer to the territory of the other Contracting State for a temporary period, the person shall be subject to only the legislation of the first Contracting State as if the person was employed and resident

in that territory, provided that the period of employment in the territory of the other Contracting State is not expected to exceed three years. For the purposes of applying this paragraph, an employer and an affiliated company of that employer shall be considered one and the same, provided that the employment would have been covered under the legislation of the first Contracting State in the absence of this Agreement.

- 2. Paragraph 1 of this Article shall apply by analogy to accompanying family members insofar as they are not by virtue of their employment entitled to benefits under the legislation of the Contracting State in whose territory they reside.
- 3. For the purposes of this Article, the term "person" includes a national of a third country.

#### Article 9

### Civil Servants, Members of Diplomatic Missions and Consular Posts

- 1. Civil servants and equivalent personnel are subject to the legislation of the Contracting State whose administration employs them. These persons, as well as their family members are, for this purpose, considered to be residing in that Contracting State, even if they are in the territory of the other Contracting State.
- 2. This Agreement shall not affect the provisions of the Vienna Convention on Diplomatic Relations of April 18, 1961, or the Vienna Convention on Consular Relations of April 24, 1963.

# Article 10 Modification Provisions

In the interest of certain persons or certain categories of persons covered under the applicable legislation of the Contracting State, the Competent Authorities or the Competent Agencies can, by mutual agreement, specify modifications to the provisions of Articles 7 to 9 of this Agreement provided that the affected persons shall be subject to the legislation of one of the Contracting States.

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- 2. Filipino nationals other than those covered by Article 8 of this Agreement, employed in the territory of Denmark shall be covered by the Labour Market Supplementary Pension (ATP) scheme unless the employment period is on a short term basis, which means a maximum of six months or, in case of employment as part of a training or education scheme, 18 months.
- 3. Danish Nationals other than those covered by Article 8 of this Agreement, who are employed in the territory of the Philippines shall be covered under the legislation of the Philippines unless the employment period is on a short term basis, which means a maximum of six months or, in case of employment as part of a training or education scheme, 18 months.

#### **PART III**

### PROVISIONS CONCERNING BENEFITS

# Article 11 Benefits under Danish Legislation

- 1. Filipino nationals shall be entitled to a Danish social pension under the same conditions as Danish nationals residing in the territory of Denmark, if in the qualifying period laid down in the Social Pensions Act the person has had a total period of work under Danish legislation of at least 12 months.
- 2. Social pension and the highest, the intermediate, the increased ordinary and the ordinary anticipatory pension shall be payable to Filipino nationals residing in the territory of the Philippines, if the person concerned fulfils the condition on work in paragraph 1 of this Article.
- 3. Where the condition regarding work in paragraph 1 of this Article has not been met, a pension awarded in pursuance of the Social Pensions

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Act to a Filipino national residing in the territory of Denmark shall nonetheless continue to be payable in the territory of the Philippines.

- 4. For the purposes of meeting the 12-month work requirement of paragraph 1 of this Article, the following periods shall be accepted:
  - a) Periods of work for which membership contributions were paid in respect of a member of the Danish Labour Market Supplementary Pension Scheme (ATP);
  - b) Periods before April 1, 1964, for which a person establishes that he or she worked under Danish legislation; and
  - c) Periods for which a person establishes that he or she was selfemployed under Danish legislation.
- 5. Periods described in paragraph 4 of this Article may be combined for purposes of meeting the 12-month work requirement in paragraph 1 of this Article.
- 6. The basic amount and the anticipatory pension payable in pursuance of the Social Pensions Act as well as the basic amount, anticipatory allowance, disability allowance, unemployability allowance and extra supplementary allowance payable in pursuance of the Act on the highest, the intermediate, the increased ordinary and the ordinary anticipatory pension shall be payable to a person designated in Article 3 of this Agreement residing in the territory of the Philippines.
- 7. The provisions laid down in the Social Pensions Act, making periods of stay abroad equivalent with residence in the territory of Denmark in the calculation of the period of residence, shall apply to Filipino nationals only if they have completed a period of residence or work in Denmark under Danish laws totalling at least 12 months in the qualifying period as laid down in the Social Pensions Act.
- 8. Periods of residence completed under Danish legislation after March 31, 1957, shall be taken into account for the calculation of social pensions under Danish legislation payable to Filipino nationals residing in the territory of the Philippines.

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# Article 12 Benefits under Philippine Legislation

- 1. If a person is not entitled to the payment of a benefit because he has not accumulated sufficient period of contributions under the legislation of the Philippines, the competent institution of the Philippines shall take into account the period of contributions which, are creditable under the Danish legislation, provided that the periods do not overlap.
- 2. The competent institution of the Philippines shall not apply the provisions of paragraph 1 of this Article if the person, on whose account benefits are computed, has sufficient period of contributions to satisfy the requirements for entitlement to benefits under its legislation.
- 3. Notwithstanding any other provision of this Agreement, if the total period of contributions accumulated by a person under the legislation of the Philippines is less than one year, the competent institution of the Philippines shall not be required to apply paragraph 1 of this Article.
- 4. If a person is not entitled to the payment of a benefit solely on the basis of the period of contributions completed under the legislation of the Philippines, but is entitled to the payment of a benefit through the application of paragraph 1 of this Article, the competent institution of the Philippines shall calculate the amount of benefit payable to that person in the following manner:
  - a) It shall first determine the amount of theoretical benefit which would be payable under the legislation of the Philippines solely on the basis of the minimum period of contributions required under that legislation;
  - b) It shall then multiply the theoretical benefit by the fraction represented by the period of contributions actually completed under the legislation of the Philippines in relation to the minimum period of contributions for entitlement to that benefit under the legislation of the Philippines.

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#### **PART IV**

### MISCELLANEOUS PROVISIONS

## Article 13 Responsibilities of the Competent Authorities

The Competent Authorities shall:

- a) by means of an administrative arrangement take the measures required to implement this Agreement, including measures for taking into account the insurance periods, and shall designate the liaison agencies and the Competent Agencies;
- b) define the procedures for mutual administrative assistance, including the sharing of expenses associated with obtaining medical, administrative and other evidence required for the implementation of this Agreement;
- c) directly communicate to each other any information concerning the measures taken for the application of this Agreement; and
- d) directly communicate to each other, as soon as possible, all changes in their legislation to the extent that these changes might affect the application of this Agreement.

## Article 14 Administrative Collaboration

1. For the implementation of this Agreement, the Competent Authorities as well as the Competent Agencies of both Contracting States shall assist each other with regard to the determination of entitlement to or payment of any benefit under this Agreement as they would for the application of their own legislation. In principle, this assistance shall be provided free of charge; however, the Competent Authorities may agree on the reimbursement of some expenses.

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- 2. The benefit of the exemptions or reductions of taxes, of stamp duties or of registration or recording fees provided for by the legislation of one Contracting State in respect of certificates or other documents which must be produced for the application of the legislation of that Contracting State shall be extended to certificates and similar documents to be produced for the application of the legislation of the other Contracting State.
- 3. Documents and certificates which must be produced for the implementation of this Agreement shall be exempt from authentication by diplomatic or consular authorities. Copies of documents which are certified as true and exact copies by a Competent Agency of one Contracting State shall be accepted as true and exact copies by a Competent Agency of the other Contracting State, without further certification.
- 4. For the implementation of this Agreement, the Competent Authorities and Competent Agencies of the Contracting States may communicate directly with each other as well as with any person, regardless of the residence of such persons. Such communication may be made in one of the languages used for the official purposes of the Contracting States.
  - An application or document may not be rejected by the Competent Authority or Competent Agency of a Contracting State solely because it is in an official language of the other Contracting State.

## Article 15 Claims, Notices and Appeals

Claims, notices or appeals which, according to the legislation of one of the Contracting States, should have been submitted within a specified period to the Competent Authority or Competent Agency of that Contracting State, are acceptable if they are presented within the same specified period to a Competent Authority or Competent Agency of the other Contracting State. In this case, the claims, notices or appeals must be sent without delay to the Competent Authority or Competent Agency of the former Contracting State, either directly or through the Competent Authorities of the Contracting States.



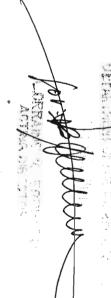
- 2. The date on which these claims, notices or appeals have been submitted to a Competent Authority or Competent Agency of the other Contracting State shall be considered to be the date of submission to the Competent Authority or Competent Agency authorized to accept such claims, notices or appeals.
- 3. An application for benefits under the legislation of one Contracting State shall be deemed to be also an application for a benefit of the same nature under the legislation of the other Contracting State provided that the applicant so wishes and provides information indicating that insurance periods have been completed under the legislation of the other Contracting State:

## Article 16 Confidentiality of Information

Unless otherwise provided under national laws and regulations of a Contracting State; information about an individual who is transmitted in accordance with this Agreement to the Competent Authority or Competent Agency of that Contracting State by the Competent Authority or Competent Agency of the other Contracting State shall be used exclusively for purposes of implementing this Agreement and the legislation to which this Agreement applies. Such information received by a Competent Authority or Competent Agency of a Contracting State shall be governed by the national laws and regulations of that Contracting State for the protection of privacy and confidentiality of personal data.

# Article 17 Payment of Benefits

- 1. Payment of benefits under this Agreement may be made in the currency of either of the Contracting States.
- 2. In the event that a Contracting State imposes currency controls or other similar measures that restrict payments, remittance or transfers of funds or financial instruments to persons who are outside that Contracting State, the said State shall, without delay, take appropriate



measures to ensure the payment of any amount that must be paid in accordance with this Agreement to persons described in Article 3 of this Agreement who reside in the territory of the other Contracting State.

## Article 18 Resolution of Disputes

Disputes which may arise in interpreting or applying the provisions of this Agreement shall be resolved, to the extent possible, by the Competent Authorities through mutual consultations.

#### **PART V**

#### TRANSITIONAL AND FINAL PROVISIONS

# Article 19 Events prior to the entry into force of the Agreement

- 1. This Agreement shall also apply to events which occurred prior to its entry into force.
- 2. This Agreement shall not create any entitlement to benefits for any period prior to its entry into force.
- 3. All insurance periods completed under the legislation of one of the Contracting States prior to the date on which this Agreement enters into force shall be taken into consideration in determining entitlement to any benefit in accordance with the provisions of this Agreement.
- I. This Agreement shall not apply to rights that were liquidated by the granting of a lump sum payment or the reimbursement of contributions.
- In applying Article 8 of this Agreement in case of persons who were sent to the territory of Denmark from the Philippines prior to the date



of entry into force of this Agreement, the periods of employment referred to in that Article shall be considered to begin on that date.

# Article 20 Revision, Prescription, Forfeiture

- 1. Any benefit that was not paid or that was suspended by reason of the nationality of the interested person or by reason of his residence in the territory of a Contracting State other than that in which the Competent Agency responsible for payment is located, shall, on application by the interested person, be paid or restored from the entry into force of this Agreement.
- 2. The entitlement of interested persons who, prior to the entry into force of this Agreement, obtained the payment of a benefit may be revised upon application by those persons, in accordance with the provisions of this Agreement. In no case shall such a revision result in a reduction of the prior entitlement of the interested persons.
- 3. If the application referred to in paragraph 1 or 2 of this Article is made within two years of the date of the entry into force of this Agreement, any entitlement arising from the implementation of this Agreement shall be effective from that date, and the legislation of either Contracting State concerning the forfeiture or the prescription of rights shall not be applicable to such interested persons.
- 4. If the application referred to in paragraph 1 or 2 of this Article is made after two years following the entry into force of this Agreement, the entitlements which are not subject to forfeiture or which are not yet prescribed shall be acquired from the date of the application, unless more favourable legislative provisions of the Contracting State concerned are applicable.

## Article 21 **Duration**

This Agreement is concluded without any limitation on its duration. It may be terminated by either Contracting State giving twelve months notice in writing to the other Contracting State.



# Article 22 Guarantee of rights acquired or in the course of acquisition

In the event of termination of this Agreement, any rights and payment of benefits acquired by virtue of the Agreement shall be maintained. The Contracting States shall make the appropriate arrangements for the settlement of any rights in the course of acquisition.

# Article 23 Entry into Force

This Agreement shall enter into force on the first day of the third month following the date of receipt of the note through which the second of the Contracting States have given notice to the first Contracting State that all domestic requirements have been accomplished.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed this Agreement.

DONE at Copenhagen on September 11, 2012, in two original copies, in the English and Danish languages, both texts being equally authentic. In the event of divergence in interpretation, the English version shall prevail.

FOR THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES

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FOR THE GOVERNMENT OF THE KINGDOM OF DENMARK

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