AGREEMENT ON SOCIAL SECURITY BETWEEN THE REPUBLIC OF THE PHILIPPINES AND THE KINGDOM OF SWEDEN

The Government of the Republic of the Philippines and the Government of the Kingdom of
Sweden,
being desirous of regulating their mutual relations in the field of social security.

have decided to conclude an agreement for this purpose, and

have agreed as follows:

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PART I

GENERAL PROVISIONS

Article 1

Definitions

- 1. For the purposes of this Agreement:
 - a) "Contracting State" means the Republic of the Philippines hereinafter referred to as the Philippines or the Kingdom of Sweden hereinafter referred to as Sweden;
 - b) "benefit" means, as regards a Contracting State, any of the benefits specified in the legislation referred to in Article 2;
 - c) "competent authority" means, 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; and, as regards Sweden, the Government or the authority nominated by the Government;
 - d) "competent institution" means, as regards the Philippines, the Social Security System and the Government Service Insurance System; and, as regards Sweden, the authority responsible for the implementation of the legislation specified in Article 2;
 - e) "creditable period" means, as regards a Contracting State, a period of contributions, insurance or residence used to acquire the right to a benefit under the legislation of that Contracting State;
 - f) "legislation" means, as regards a Contracting State, the laws and regulations specified in Article 2 with respect to that Contracting State.
- 2. Any term not defined in this Article has the meaning assigned to it in the applicable legislation.

Legislation to Which the Agreement Applies

- 1. This Agreement shall apply to the following legislation;
 - a) with respect to the Philippines:
 - (i) the Social Security Law and the regulations made thereunder as they relate to retirement, disability and death benefits;
 - (ii) the Government Service Insurance Act and the regulations made thereunder as they relate to retirement, disability, death and survivorship benefits;
 - (iii) the Portability Law as it relates to totalizing the workers' creditable services or contributions under the laws specified in (i) and (ii) of this subparagraph; and
 - (iv) the Employees' Compensation and State Insurance Fund Law, as amended, as it relates to work-related injury, sickness and death.
 - b) with respect to Sweden:
 - (i) the legislation on sickness compensation and activity compensation:
 - (ii) the legislation on income-based old-age pensions and guarantee pensions;
 - (iii) the legislation on survivors' pensions and surviving children's allowance;
 - (iv) the legislation on accidents at work and occupational diseases; and
 - (v) the legislation on the social security contributions as regards the legislation specified in (i) to (iv) of this subparagraph.

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- 2. Subject to paragraph 3 of this Article, this Agreement shall also apply to laws and regulations which amend, supplement, consolidate or supersede the legislation specified in paragraph 1 of this Article.
- 3. This Agreement shall further apply to laws and regulations which extend the legislation of a Contracting State to new categories of beneficiaries or to new benefits unless an objection on the part of that Contracting State has been communicated to the other Contracting State not later than six months following the entry into force of such laws and regulations.
- 4. 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.

Persons to Whom the Agreement Applies

This Agreement shall apply to any person who is or who has been subject to the legislation of the Philippines or Sweden, and to other persons who derive rights from such a person.

Article 4

Equality of Treatment

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

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Export of Benefits

- 1. Unless otherwise provided in this Agreement, benefits payable under the legislation of a Contracting State to any person described in Article 3, including benefits acquired by virtue of this Agreement, shall not be subject to any reduction, modification, suspension, cancellation or confiscation by reason only of the fact that the person resides in the territory of the other Contracting State, and these benefits shall be paid when that person stays or resides in the territory of the other Contracting State.
- 2. Benefits payable under this Agreement shall also be paid when a person eligible for such a benefit, stays or resides in the territory of a third state.
- 3. The provisions of paragraphs 1 and 2 shall not apply to the following benefits as regards Sweden:
 - a) sickness compensation in the form of guarantee compensation or activity compensation in the form of guarantee compensation; and
 - b) guarantee pensions and surviving children's allowance.

PART II

PROVISIONS CONCERNING THE APPLICABLE LEGISLATION

Article 6

General Provisions

Unless otherwise provided in this Agreement, an employed person or a self-employed person who works in the territory of a Contracting State shall, in respect of that work, be subject only to the legislation of that Contracting State.

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Detachments

- 1. A person who normally pursues an activity as an employed person in the territory of a Contracting State on behalf of an employer who normally carries out its activities there and who is sent by that employer to the other Contracting State to perform work on that employer's behalf, shall remain subject to the legislation of the former Contracting State, provided that the anticipated duration of such work does not exceed 24 months, and that person is not sent to replace another detached person.
- 2. If the work referred to in paragraph 1 continues beyond 24 months, the competent institutions of both Contracting States may agree, before the end of the first period of 24 months that the employee, for a further period of not more than 24 months, shall remain subject to the legislation of the first Contracting State, provided that such extension is requested jointly by the employee and the employer.

Article 8

Travelling Personnel

- 1. A person who works as an employee onboard a ship that flies the flag of a Contracting State, shall be subject to the legislation of that Contracting State.
- 2. A person being employed by an employer with a registered office in one Contracting State on an aircraft flying in international traffic, shall be subject to the legislation of the Contracting State in whose territory the employer has its registered office.

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Persons Engaged in Government Employment, Locally Engaged Government Employees and Members of Diplomatic Missions and Consular Post

- 1. A person being employed by the government, to whom paragraph 3 of this Article does not apply and who is sent to work in the territory of the other Contracting State, is subject only to the legislation of the first Contracting State.
- 2. A person who is locally engaged in the territory of a Contracting State in government employment for the other Contracting State shall, in respect of that employment, be subject to the legislation of the first Contracting State.
- 3. 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

Accompanying Spouse and Children

The accompanying spouse or children of a person who works in the territory of one Contracting State and who is subject to the legislation of the other Contracting State in accordance with Article 7 or paragraph 1 of Article 9, shall be subject to the legislation of the latter Contracting State unless they are themselves gainfully occupied in the territory of the first Contracting State.

Article 11

Exceptions to Mandatory Social Security Contributions in the Philippines

For a person who will be subject to the Swedish legislation in accordance with Articles 7 to 10 and 12 of this Agreement, it shall not be mandatory to pay social security contributions in the Philippines in relation to the applicable legislation concerning sickness and maternity.

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Exceptions

The competent authorities or the competent institutions of the Contracting States may, by common agreement, make exceptions to the provisions of Article 6 to Article 10 with respect to any person or categories of persons.

PART III PROVISIONS CONCERNING BENEFITS

CHAPTER 1 GENERAL PROVISIONS

Article 13

Totalization of Creditable Periods

- 1. Unless otherwise provided in this Agreement, if a person has completed creditable periods according to the legislation of both Contracting States, these periods shall be totalized, if necessary, for the entitlement to a benefit, insofar as they do not coincide.
- 2. If a person is not eligible for a benefit on the basis of the creditable periods under the legislation of the Contracting States, totalized as provided in paragraph 1 of this Article, the eligibility of that person for that benefit shall be determined by totalizing these periods and creditable periods completed under the legislation of a third State, with which both Contracting States are bound by social security agreements or equivalent coordination instruments on social security which provide for the totalization of periods for that person.

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Calculation of Benefits

This Agreement shall not prevent the application of legislation on benefits that is more favorable to a person covered under Article 3 of this Agreement.

CHAPTER 2 BENEFITS UNDER THE LEGISLATION OF THE PHILIPPINES

Article 15

Calculating the Amount of Benefit Payable

- 1. The provisions on totalization of Chapter 1 shall not be applied if the total duration of creditable periods accumulated by a person under its legislation is less than 12 months.
- 2. If a person is not entitled to the payment of a benefit solely on the basis of the creditable periods under the legislation of the Philippines, but is entitled to the payment of that benefit through the application of the totalization provisions of Chapter 1, 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 the theoretical benefit which would be payable under the legislation of the Philippines solely on the basis of the minimum creditable periods required under that legislation;
 - b) it shall then multiply the theoretical benefit by the ratio that the creditable periods actually completed under the legislation of the Philippines represent in relation to the minimum creditable periods required under that legislation.

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CHAPTER 3 BENEFITS UNDER THE LEGISLATION OF SWEDEN

Article 16

Calculating the Amount of Benefit Payable

- 1. The provisions on totalization of Chapter 1 shall not apply to the basic requirement of three years of residence in Sweden for entitlement to a guarantee pension, to a sickness compensation in the form of guarantee compensation or to an activity compensation in the form of guarantee compensation.
- 2. When establishing the entitlement to sickness compensation or activity compensation, a creditable period under Philippine legislation shall be considered as coverage under Swedish legislation.
- 3. When calculating the amount of income-related sickness compensation or income-related activity compensation, only income earned during periods when Swedish legislation was applicable shall be taken into account.
- 4. When calculating the amount of the income-based pension in the form of supplementary pension to be paid in accordance with the provisions of Chapter 1, only creditable periods completed under Swedish legislation, shall be taken into account.

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PART IV ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

Article 17

Administrative Arrangement

- 1. The competent authorities of the Contracting States shall conclude an administrative arrangement that sets out the measures necessary for the application of this Agreement.
- 2. The liaison agencies of the Contracting States shall be designated in that arrangement.

Article 18

Exchange of Information and Mutual Assistance

- 1. For the application of this Agreement, the competent authorities and competent institutions shall:
 - a) to the extent permitted by the legislation which they administer, communicate to each other any information necessary for the application of this Agreement;
 - b) lend their good offices and furnish assistance to one another for the purpose of determining eligibility for, or the amount of, any benefit under this Agreement, or under the legislation to which this Agreement applies, as if the matter involved the application of their own legislation;
 - c) communicate to each other, as soon as possible, all information about the measures taken by them for the application of this Agreement or about changes in their respective legislation in so far as these changes affect the application of this Agreement.

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- 2. The assistance referred to in subparagraph 1 b) shall be provided free of charge, subject to any provision contained in the Administrative Arrangement concluded pursuant to Article 17 for the reimbursement of certain types of expenses.
- 3. The competent institutions shall annually exchange statistics, which shall be specified in the Administrative Arrangement.
- 4. Unless disclosure is required under the laws of a Contracting State, any information about a person which is transmitted in accordance with this Agreement to that Contracting State by the other Contracting State is confidential and shall be used for purposes of implementing this Agreement and the legislation to which this Agreement applies. The information, except medical information, may be used in the administration of other social security legislation which the competent institutions apply, unless otherwise provided in this Agreement or the Administrative Arrangement. The information received by a competent authority or a competent institution shall be governed by the national law of that Contracting State for the protection of privacy and confidentiality of personal data.

Exemption or Reduction of Taxes, Dues, Fees and Charges

- 1. Any exemption from or reduction of taxes, legal dues, consular fees and administrative charges for which provision is made in the legislation of a Contracting State in connection with the issuance of any certificate or document required to be produced for the application of that legislation shall be extended to certificates or documents required to be produced for the application of the legislation of the other Contracting State.
- 2. Any document of an official nature required to be produced for the application of this Agreement shall be exempt from any authentication by diplomatic or consular authorities and similar formality.

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Language of Communication between the Competent Authorities and Competent Institutions

For the application of this Agreement, the competent authorities and competent institutions of the Contracting States may communicate directly with one another in the English language.

Article 21

Submitting a Claim, Notice or Appeal

- 1. Claims, notices and appeals concerning eligibility for, or the amount of, a benefit under the legislation of a Contracting State which should, for the purposes of that legislation, have been presented within a prescribed period to a competent authority or competent institution of that Contracting State, but which are presented within the same period to an authority or institution of the other Contracting State, shall be treated as if they had been presented to the authority or institution of the first Contracting State. The date of presentation of claims, notices and appeals to the authority or institution of the other Contracting State shall be deemed to be the date of their presentation to the authority or institution of the first Contracting State.
- 2. An application for benefit under the legislation of a Contracting State shall be deemed to be also an application for benefit of same nature under the legislation of the other Contracting State provided that the applicant so wishes and provides information indicating that creditable periods have been completed under the legislation of the other Contracting State.
- 3. In any case to which paragraph 1 or 2 applies the competent authority or competent institution to which the claim, notice or appeal has been submitted shall transmit it without delay to the authority or institution of the other Contracting State.
- 4. An application or document shall not be rejected by a competent authority or a competent institution of a Contracting State solely because it is in the official language of the other Contracting State.

Payment of Benefits

- 1. Benefits shall be paid to beneficiaries without any deduction for administrative expenses that may be incurred in paying the benefits.
- 2. Payments into the other Contracting State arising from this Agreement shall be made in freely convertible currency.
- 3. In the event that a Contracting State imposes currency controls or other similar measures that restrict payments, remittances or transfers of funds or financial instruments to persons who are outside its territory, that Contracting State shall, without delay, take suitable measures to ensure the payment of any amount that must be paid in accordance with this Agreement.

Article 23

Resolution of Difficulties

- 1. The competent authorities and the competent institutions of the Contracting States shall resolve, to the extent possible, any difficulties which arise in interpreting or applying this Agreement according to fundamental principles and to the spirit of this Agreement.
- 2. The Contracting States shall consult promptly at the request of either Contracting State concerning matters which have not been resolved by the competent authorities or the competent institutions in accordance with paragraph 1.
- 3. Any dispute between the Contracting States concerning the interpretation of this Agreement which has not been resolved or settled by consultation in accordance with paragraph 1 or 2 shall, at the request of either Contracting State, be submitted to arbitration by an arbitral tribunal.
- 4. The decision of the arbitral tribunal shall be final and binding.

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PART V TRANSITIONAL AND FINAL PROVISIONS

Article 24

Transitional Provisions

- 1. This Agreement shall not create any entitlement to benefits for any period prior to its entry into force.
- 2. This Agreement shall also apply to events which occurred prior to its entry into force.
- 3. All creditable 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.
- 4. The application of this Agreement shall not result in any reduction in the amount of benefit to which entitlement has been established prior to its entry into force.

Article 25

Revision of or Amendment to the Agreement

Each Contracting State may request a revision of or an amendment to this Agreement. Such revision or amendment may, after common agreement, be made by an exchange of Official Notes.

Article 26

Entry into Force

1. This Agreement shall enter into force on the first day of the fourth month following the month in which each Contracting State shall have received from the other Contracting

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State written notification that it has complied with all requirements for the entry into force of this Agreement.

2. The same procedure applies if the Agreement is revised or amended according to Article 25.

Article 27

Duration and Termination of the Agreement

- 1. This Agreement shall remain in force without any limitation on its duration.
- 2. This Agreement may be terminated by either Contracting State giving a twelve-month prior notice through an Official Note to the other Contracting State.
- 3. If this Agreement is terminated, rights regarding entitlement to or payment of benefits acquired under it shall be retained. The Contracting States shall make arrangements to deal with rights in the process of being acquired.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at Stockholm on 15 October 2015, in the English and Swedish languages, each text being equally authentic.

In case of any divergence of interpretation, the English text shall prevail.

FOR THE GOVERNMENT
OF THE REPUBLIC OF THE PHILIPPINES

FOR THE GOVERNMENT
OF THE KINGDOM OF SWEDEN

Amile Shoullil

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