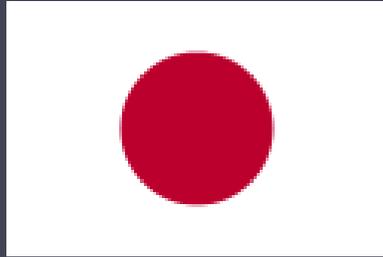


(tentative translation
of Japanese material)

Seminar at the Embassy of India in Tokyo
27 September, 2016



Seminar

Japan-India Social Security Agreement

(from the perspective of Indian companies in Japan)

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

International Relations Group
Japan Pension Service

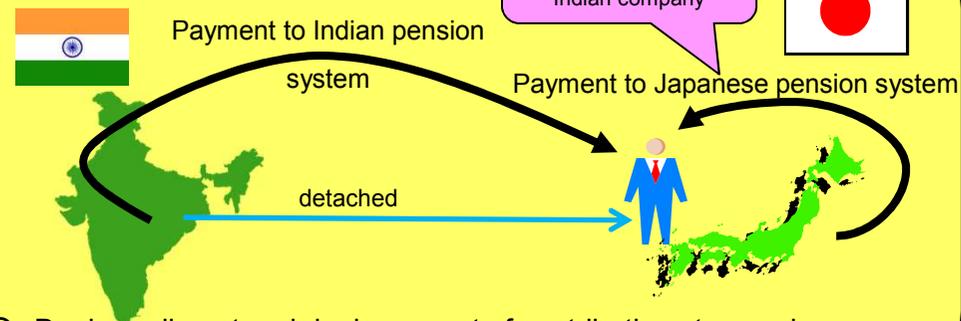
This material was created based on the information as of August 2016.
For latest information, please check the official website of the Japan Pension Service.

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】

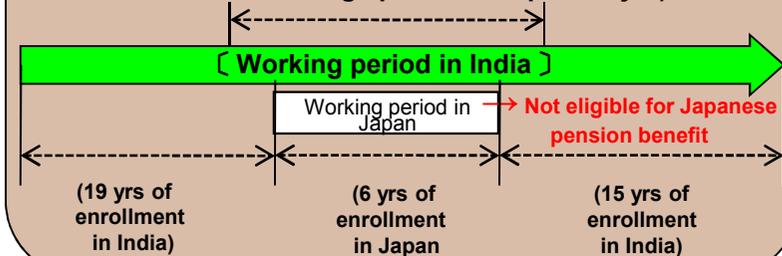


- Dual enrollment and dual payment of contributions to pension systems of both countries

【Coverage periods are not totalised】

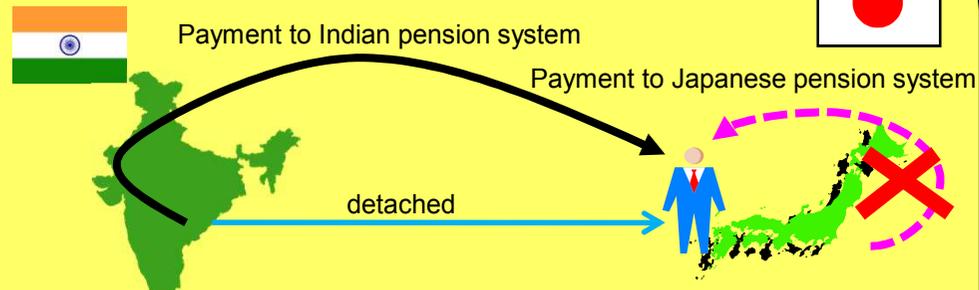
... No eligibility for Japanese pension benefit as the minimum coverage period is not met.

(Minimum coverage period in Japan: 25yrs)



○ After entry into force of SSA

【Dual coverage is avoided】



- Indian employees will continue to enroll in the Indian pension system if their detachment period is 5 yrs or less. They are exempted from the obligation to enroll in the Japanese 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 Japanese pension system (The amount of benefit will be based on 6 years' contributions.)

pension benefit to be paid



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**

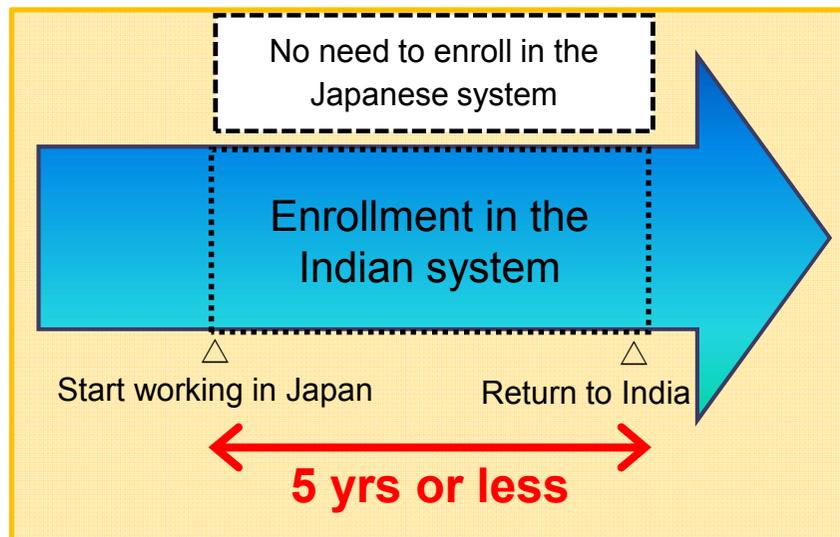
Point 1: Avoidance of dual coverage

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.**

《Detachment expected to be 5 yrs 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.

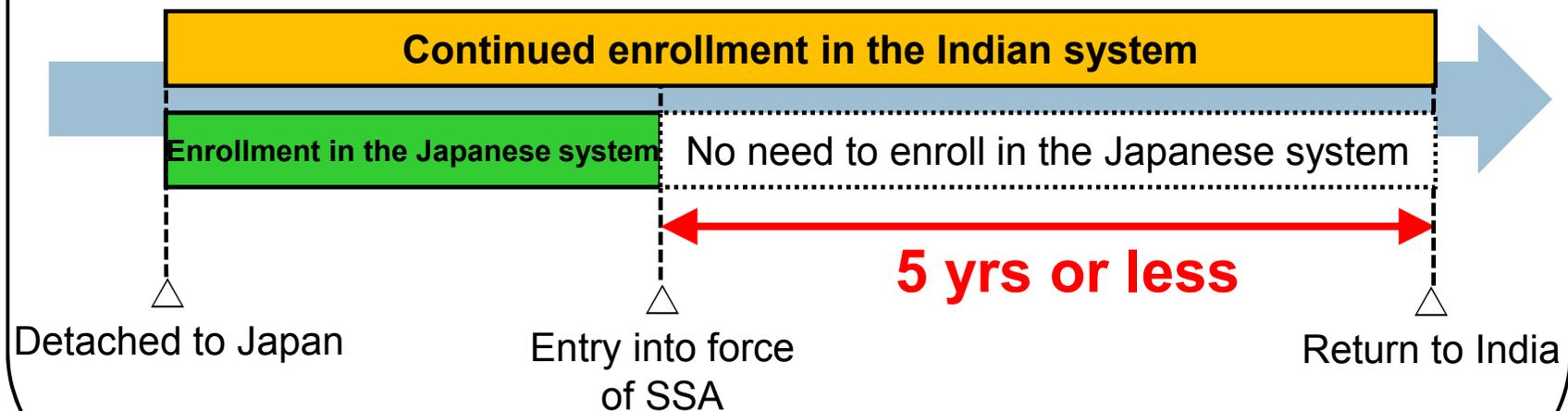
Accompanying spouses and children of the detached employee

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.)

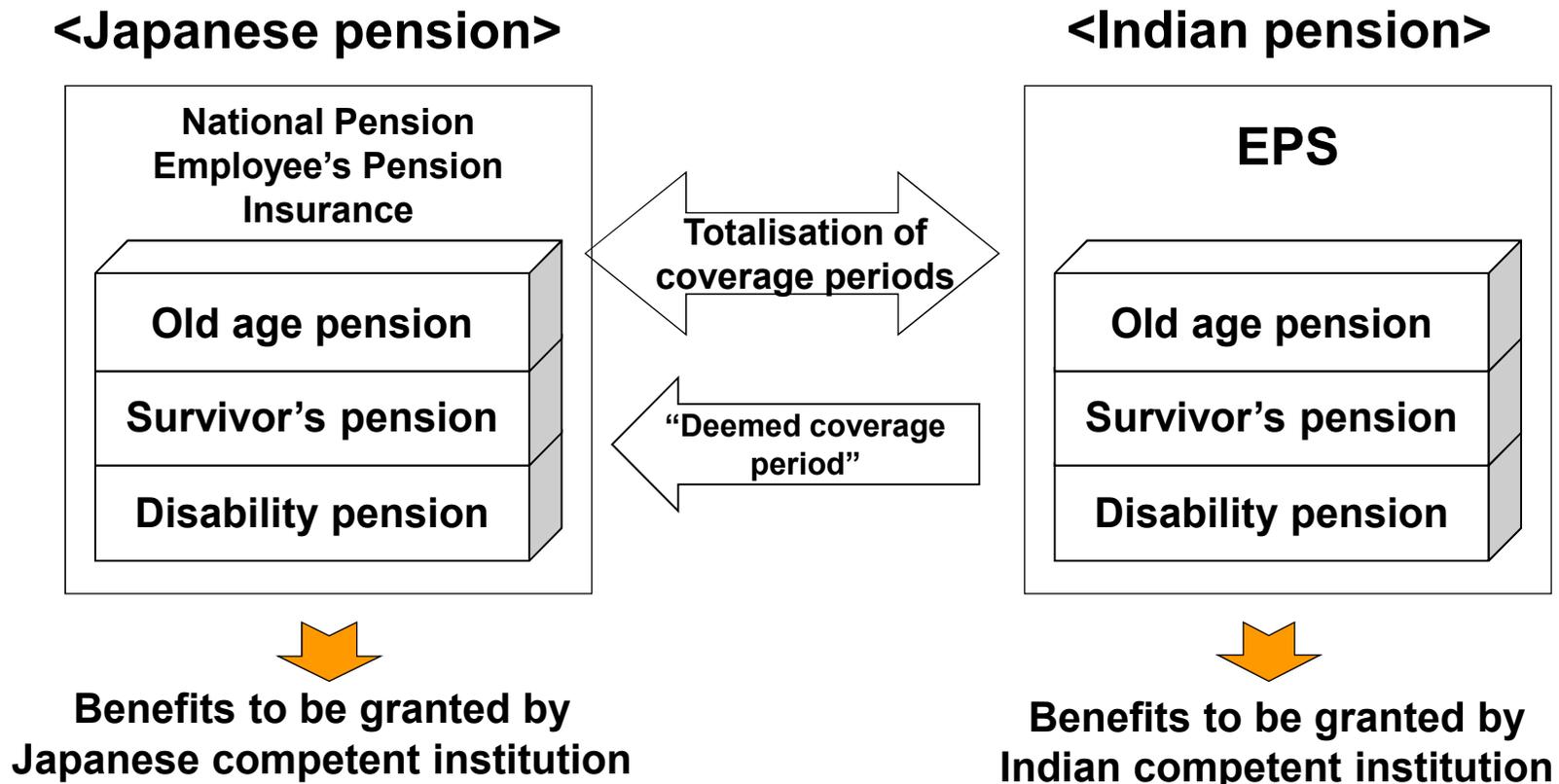
Point 1: Avoidance of dual coverage

For employees who have been detached before SSA comes into force

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



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

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



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.)

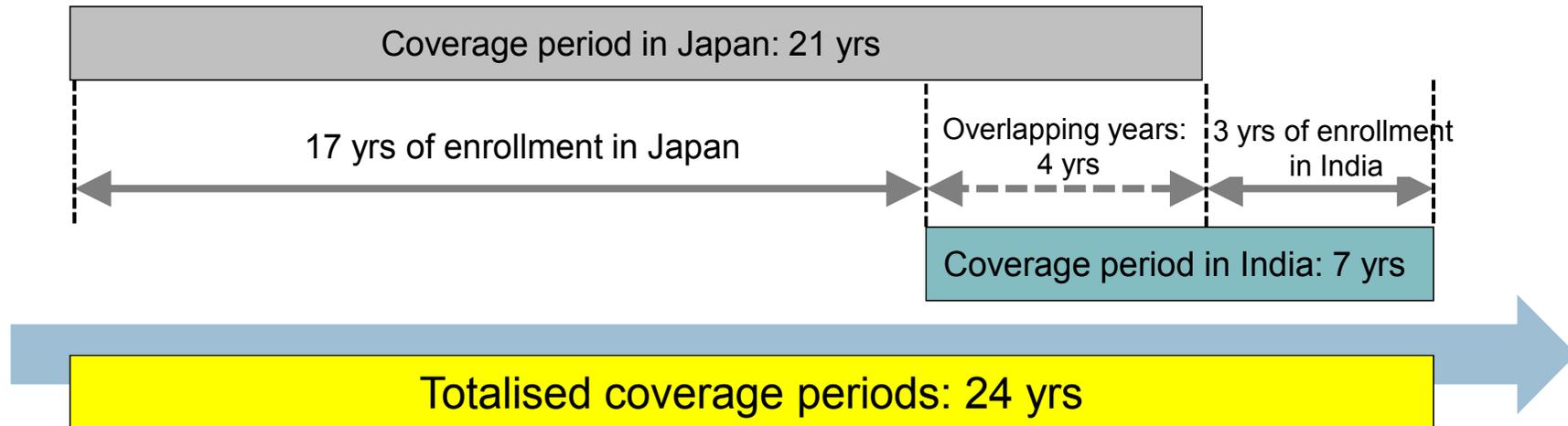
◆ India (old-age pension)

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)

Point 2: Totalisation of coverage periods

■ When the coverage periods are overlapping



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).

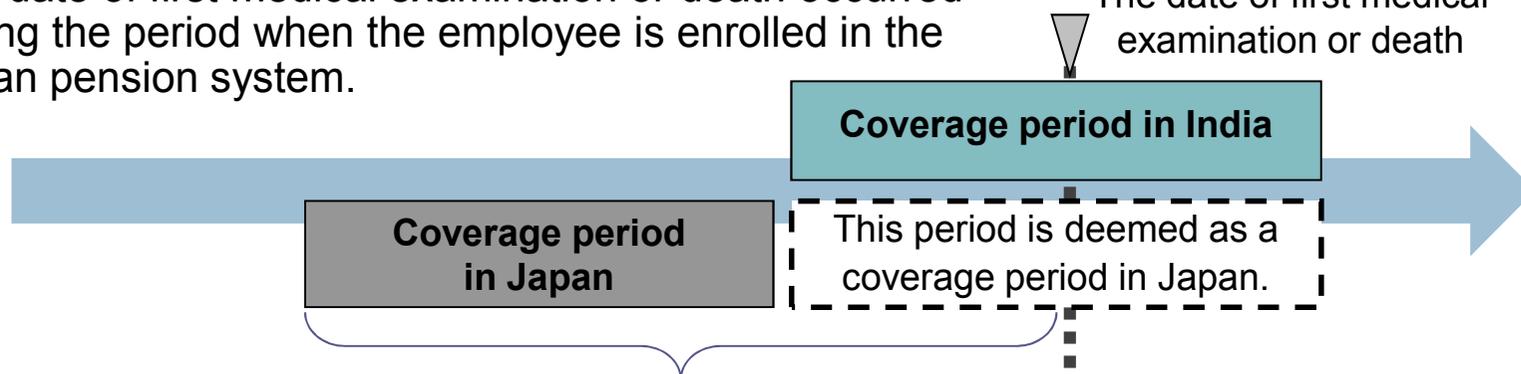
Point 2: Totalisation of coverage periods

■ 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.

The date of first medical examination or death



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

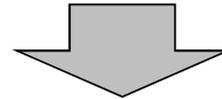
Under the Japan-India SSA, the coverage periods in Japan and in India can be totalised in order to meet the contribution requirement of having paid, or being duly exempted to pay, contributions to the pension system for the period of two-thirds or more against the total coverage periods until the date 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 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

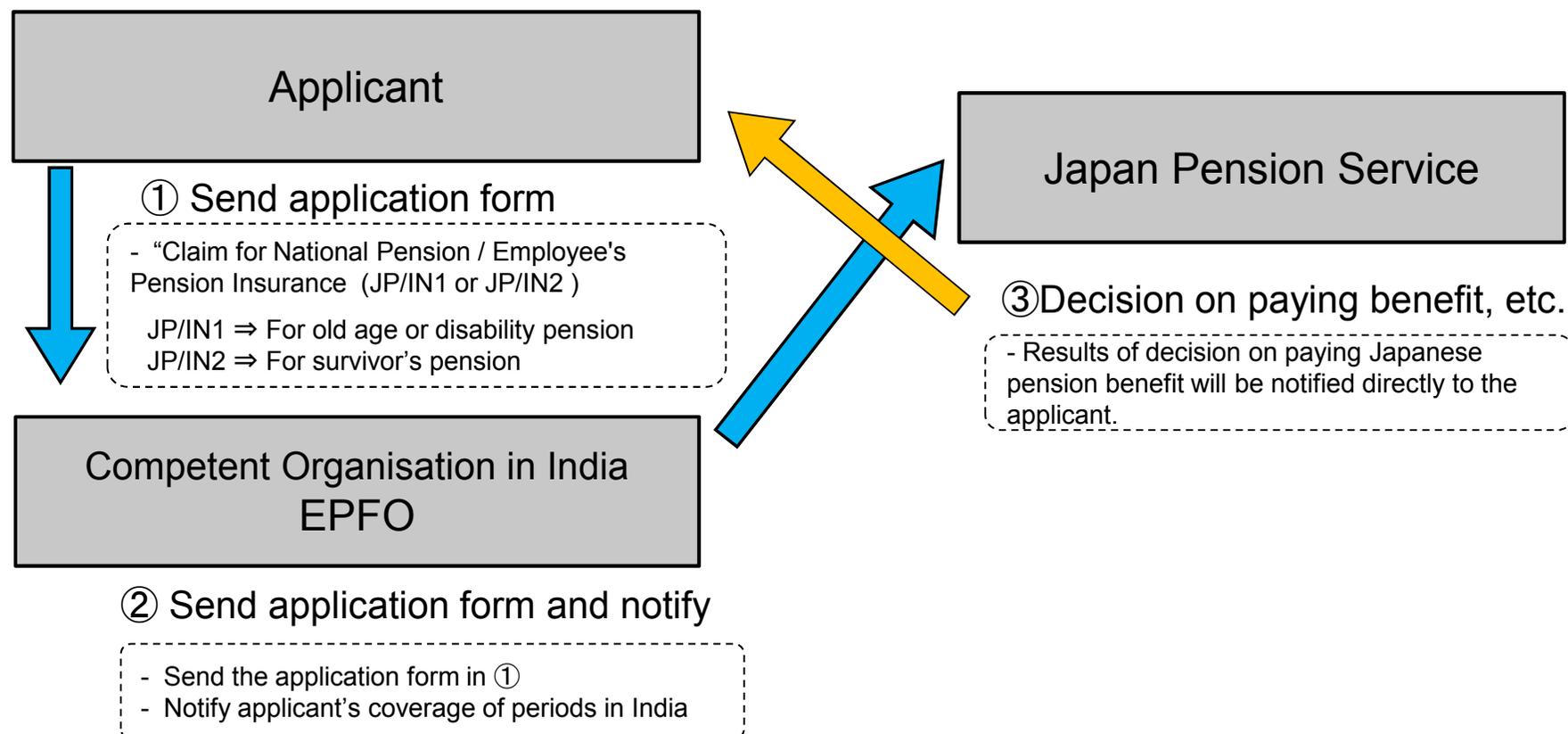
The employer should apply for Certificate of Coverage to EPFO. (Please hand over the certificate to the detached employee.)

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: Application for Japanese Pension

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



Process of application: Applying for Japanese Pension

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

Search

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

The screenshot shows the official website of the Japan Pension Service (日本年金機構). The page is titled '社会保険協定' (Social Security Agreement). It features a navigation menu at the top with links for 'Home', 'Site Map', and 'International'. Below the menu, there are several tabs for different services: 'New Entrants', 'Applicants', 'Business Owners', 'FAQs', 'Application Forms', 'Global Consultation', and 'Phone Consultation'. The main content area is divided into several sections:

- 社会保険協定** (Social Security Agreement): A section with a date '4-4-13-5068' and a refresh button. It includes a sub-section '社会保険協定とは何ですか？社会保険協定を締結する背景・目的' (What is a Social Security Agreement? Background and Purpose of Signing). The text explains that international exchange is active, and companies are sending employees overseas. It mentions that joining the Japanese social security system is necessary, and the agreement helps with double contributions. Key points include:
 - 「保険料の二重負担」を防止するために加入すべき制度を二国間で調整する（二重加入の防止）
 - 保険料の掛け捨てとならないために、日本の年金加入期間を協定を結んでいる国の年金制度に加入していた期間とみなして取り扱い、その国の年金を受け取ることができるようにする（年金加入期間の通算）
- 各国との社会保険協定発効状況** (Status of Social Security Agreements): A section with a date '2013年8月現在' (as of August 2013). It states that Japan has signed agreements with 17 countries, and 14 of them are in effect. A table lists the countries:

協定が発効済の国	ドイツ	イギリス	韓国	アメリカ	ベルギー	フランス	カナダ	オーストラリア
署名済未発効の国	イタリア	インド	ハンガリー					
- 申請・手続きを調べる** (Check Application Procedures): A section with a date '20歳になった方' (for those who turned 20). It lists various categories: '年金に加入している方' (those already enrolled), '年金を請求する方' (those applying for pension), '年金受給者の方' (pension recipients), '海外に居住する方' (those living overseas), and '年金相談をする方' (those consulting about pension). It also includes a '年金のことを調べる' (Learn about Pension) section with links for '年金制度全般' (General Pension System), '加入と保険料納付' (Enrollment and Premium Payment), '国民年金' (National Pension), '厚生年金保険' (Employees' Pension Insurance), '健康保険(協会けんぽ)' (Health Insurance), '年金の受け取り' (Receiving Pension), '障害年金' (Disability Pension), '遺族年金' (Survivor's Pension), and 'その他の給付' (Other Benefits).

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)