



Social security agreement between Switzerland and the Philippines





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1 The agreement in brief

Signed on 17 September 2001, the [bilateral social security agreement between the Swiss Confederation and the Philippines](#) came into force on 1 March 2004. Its purpose is to ensure that Swiss and Philippine nationals receive equal treatment, wherever possible, in respect of their social security entitlements. The agreement determines to which national social security system a person is affiliated.

The agreement sets out the requirements that a person must satisfy in order to receive Swiss or Philippine old-age, survivors' and disability pensions, as well as rehabilitation measures from the Swiss disability insurance scheme. At the same time, the agreement sets out the rules on exporting these benefits. The Philippine social security system will add periods of insurance completed in Switzerland in cases where the claimant does not meet the minimum contribution (up to 10 years) for a Philippine pension.

The purpose of this leaflet is to provide an overview of how Switzerland and the Philippines coordinate their social security systems. Only the relevant legal provisions and international agreements shall apply in the settlement of individual claims.

2 Material scope

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

Which Philippine legal provisions are covered by the agreement? The agreement covers Philippine legal provisions on social security (*Social Security Law*) in relation to old-age, disability and death benefits.

3 Personal scope

Who is covered by the agreement? The agreement applies to Philippine and Swiss nationals, as well as their immediate family members (spouse and children) and surviving dependents.

Are third-state nationals covered by the agreement? The affiliation provisions may also apply to third-state nationals, i.e. individuals who are not Swiss or Philippine nationals. For example, 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.

4 Basic principles: equality of treatment, export and totalization

What does equality of treatment mean? Equality of treatment is a guiding principle of the social security agreement between Switzerland and the Philippines.

This means in practice that Philippine nationals shall be treated in the same way as Swiss nationals as regards rights and obligations under Swiss old-age, survivors' and disability insurance legislation.

Likewise, Swiss nationals shall be treated in the same way as Philippine nationals as regards the rights and obligations under the Philippine social security schemes covered by the agreement.

Are there exceptions? There are a number of clear-cut exceptions to the equal treatment principle. For example, only Swiss nationals living abroad (outside EU/EFTA member States) may join the facultative Swiss OASI/DI scheme.

A number of Swiss or Philippine benefits may not be exported, neither for Swiss nationals nor for Philippine nationals.

What does export mean? This means that Swiss and Philippine 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 Philippine benefit that is covered by the agreement does not meet all of the minimum qualifying periods of insurance, contribution or residence required by Philippine legislation for entitlement to benefits (see Section 8). These include periods of insurance that pre-date the agreement.

Entitlement to Swiss pensions is exclusively based on contributions paid in Switzerland.

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 Philippine 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, regardless of their nationality, must pay contributions to the relevant compulsory social insurance schemes in the State where they live and work.

Individuals who are gainfully employed in both Switzerland and the Philippines 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 for an airline or on a boat There are special provisions governing the affiliation of crew members of an airline based in Switzerland or the Philippines who work on the territories of both of these States.

Swiss or Philippine nationals who are crew members of a vessel sailing under the Swiss or Philippine flag and who live on the territory of one of these two States are subject to the social security legislation of the contracting State in which they reside.

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? The agreement does not apply to health insurance. As a general 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 occupational pensions? The agreement does not apply to Swiss occupational old-age, survivors' and disability insurance schemes (Occupational Pension Act - OPA). Under Swiss legislation, employees who pay compulsory AHV contributions become liable for compulsory OPA contributions when they meet a number of requirements (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 the Philippines by their Swiss employer to work on their employer's behalf 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 Philippine social security system.

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

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

What conditions apply? In the interests of worker protection, a posting presupposes that the person concerned is 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 the worker once his posting comes to an end.

A direct employment relationship between employee and employer must continue to exist for the entire duration of the posting. In particular an employer who posts a worker abroad must remain able to terminate the employment contract and to broadly define the type of work that the posted employee will perform. The posted employee must work in the interests and on behalf of his/her employer, but the salary doesn't have to be paid directly by the posting employer.

Submission of the certificate of posting/coverage The employer asks the competent institution in the State of origin to issue a certificate of posting.

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 host State 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](#).

For **postings from the Philippines** to Switzerland, employers should apply in writing to: Social Security System, International Operations Division, SSS Building, East Avenue, Diliman 1101 Quezon City, Philippines, Tel. (632) 924 78 22, Fax (632) 922 31 73, www.sss.gov.ph (please state the name of the employee concerned, his/her social security number, the relevant period, the details of the companies concerned and the employee's address in the host country).

May the posting be extended? Should the posting exceed the maximum time limit of two years, it is possible to apply for an extension (up to a maximum total period of 6 years) by submitting a request to the competent authority in the State of origin:

- in Switzerland: Federal Social Insurance Office (www.bsv.admin.ch)
- in the Philippines: Social Security System, International Operations Division, SSS Building, East Avenue, Diliman 1101 Quezon City, Philippines, Tel. (632) 924 78 22, Fax (632) 922 31 73, www.sss.gov.ph

The application form for **extending postings from Switzerland** is available at the following [link](#) (request for a Special Agreement).

What about family members? Non-active family members (spouse and children) accompanying a posted worker remain subject to the social security legislation of the State of origin for the duration of the posting.

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

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 the Philippines Philippine and Swiss nationals who have worked both in Switzerland and the Philippines 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? Philippine 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's pension).

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.

Can old-age and survivors' pensions be exported? Under Swiss legislation, Swiss nationals may draw a Swiss pension regardless of the country in which they live.

According to the bilateral agreement, a Philippine national can claim a Swiss pension under the same conditions that apply to Swiss nationals, i.e. the pension can be exported to any country.

A lump-sum payment instead of a pension?	<p>Philippine nationals or their survivors who do not reside in Switzerland and who qualify for a Swiss old-age and survivors' pension which is not 20% 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 20% but less than 30% of the full ordinary OASI pension, they can choose between a partial pension or a one-off lump-sum payment.</p> <p>Philippine nationals who have left Switzerland definitively for at least one year can also choose to apply to the Swiss Compensation Office for a refund of their AHV contributions (see Section 9). Their survivors who have left Switzerland and are not of Swiss nationality may also request a refund.</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>The agreement does not cover the legal provisions on occupational old-age, survivors' and disability insurance. Under the relevant federal legislation (OPA), Swiss and foreign national receive equal treatment, i.e. the payment of pensions and other benefit entitlements abroad depends on the statutes and internal regulations of the claimant's pension fund. If a person has paid occupational pension contributions while working in Switzerland, this person may request that his/her accumulated capital (termination benefit) is paid out in cash provided that this person is relocating from Switzerland to a State that is not a member of either the EU or EFTA. The request must be submitted to the competent pension fund or termination benefits institution (insurance company 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	<p>The agreement facilitates access for Philippine nationals living in Switzerland to Swiss DI rehabilitation measures.</p>
Persons:	<p><u>Rehabilitation measures cannot be exported.</u></p>
a) who are subject to compulsory insurance contributions	<p>Philippine nationals, who are paying 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.</p>

b) who are not subject to compulsory insurance contributions but are insured in the OASI/DI Philippine nationals who, at the time of the onset of their disability, are not subject to compulsory insurance contributions but who were insured under the Swiss old-age, survivors' and disability schemes (e.g. a spouse who is not working but whose working spouse had paid OASI contributions totalling at least double the minimum amount) may qualify for rehabilitation measures provided that they satisfy certain conditions: they must reside in Switzerland and had lived there uninterrupted for a minimum of one year prior to the onset of their disability. Leaving Switzerland for less than three months does not count for the purposes of the length of time they have resided in Switzerland.

Right of disabled children to rehabilitation measures

Philippine children who are minors 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 the Philippines 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 Philippine 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 (pro-rated to the contributions paid in Switzerland).

Can disability pensions be exported?

DI pensions of Swiss and Philippine nationals whose degree of disability is at least 50% can be exported worldwide.

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

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

8 Philippine old-age, survivors' and disability benefits

Submission of a claim for Philippine benefits

Claimants living in Switzerland must submit their claims for Philippine benefits to the Swiss Compensation Office CSO (see Section 9).

Those resident in another State must submit their claims to the Philippine liaison body (see Section 9).

Recognition of Swiss insurance periods

If a claimant does not satisfy the entire minimum period of insurance required under Philippine legislation to qualify for a Philippine pension (up to 10 years), his/her periods of insurance in Switzerland are taken into account as if the person had been insured in the Philippines, provided they do not overlap. Nevertheless, claimants must have been insured for at least one year in the Philippines. Swiss nationals may therefore receive Philippine pension benefits even if they have worked for only a few years in the Philippines.

In the case of Philippine and Swiss nationals who do not qualify for a Philippine pension even when periods of insurance in Switzerland are taken into account, periods of insurance in a third State (neither Switzerland nor the Philippines) which has concluded a social security agreement with the Philippines providing for totalization are also taken into account.

A period of insurance in Switzerland for which the claimant has received a refund of contributions may not be taken into account.

Export of Philippine benefits

According to the bilateral agreement, a Swiss national can claim a Philippine pension under the same conditions as apply to Philippine nationals. Pension benefits can normally be exported to any country.

General information on the Philippine social security system and benefits is available at www.sss.gov.ph.

9 Competent authorities, liaison bodies and contact points

Benefit claims

- Persons **resident in Switzerland** should address claims for Philippine benefits to the Swiss Compensation Office (SCO).
- Persons **resident in the Philippines** should address claims for Swiss benefits to Social Security System (SSS), International Operations Division, SSS Building 3rd Floor, East Avenue, Diliman 1101 Quezon City, Philippines, Tel. (632) 924 78 22, Fax (632) 922 31 73, www.sss.gov.ph

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, Geneva (SCO)
Av. Edmond-Vaucher 18, P.O. Box 3100
1211 Geneva
www.zas.admin.ch

**Philippine competent authority
and Philippine liaison body**

Social Security System (SSS)
International Operations Division
SSS Building, 3rd Floor
East Avenue
Diliman 1101 Quezon City
Philippines
Tel. (632) 924 78 22
Fax (632) 922 31 73
www.sss.gov.ph

Contact points in Switzerland

In Switzerland, enquiries and applications should be addressed to the following bodies:

Queries regarding the export of OASI/DI
pensions

SCO Geneva

Certificate applications for postings from
Switzerland

The competent compensation fund
(see Section 6)

Queries regarding extended postings

FSIO

Contact points in the Philippines

Certificate applications for postings from the
Philippines

Competent office for extension of postings

Queries regarding Philippine benefits

Social Security System (SSS)
International Operations Division
SSS Building, 3rd Floor
East Avenue
1101 Quezon City, Philippines
Tel. (632) 924 78 22
Fax (632) 922 31 73
www.sss.gov.ph/sss