



Social security agreement between Switzerland and Uruguay





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1 The agreement in brief

The [bilateral social security agreement between the Swiss Confederation and Uruguay](#) entered into force on 1 April 2015. The purpose of the agreement is to ensure that Swiss and Uruguayan nationals receive equal treatment, wherever possible, in respect of their social security entitlements. The agreement also determines to which national social security system a person is subject and where he/she is required to pay contributions.

The agreement sets out the requirements that a person must satisfy in order to receive Swiss or Uruguayan old-age, survivors' and invalidity pensions, as well as rehabilitation measures from the Swiss invalidity insurance scheme. The agreement also sets out the rules on exporting these benefits. Uruguay takes insurance periods completed in Switzerland into account for the purposes of meeting the minimum insurance period (30 years) imposed by Uruguay to confer entitlement to Uruguayan pensions.

The purpose of this leaflet is simply to provide an overview of how Switzerland and Uruguay 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 Invalidity Insurance (IV).

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

3 Personal scope

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

Are third-state nationals covered by the agreement? The provisions governing the applicable legislation (affiliation rules) may also apply to third-state nationals, i.e. individuals who are not from Switzerland or from Uruguay. 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.

In relation to Uruguay, third-state nationals are covered by the provisions in the agreement that concern Uruguayan legislation (benefit entitlement and pension calculations).

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

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

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

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

Are there exceptions? There a number of clear-cut exceptions to the equal treatment principle. For example, only Swiss nationals living abroad (i.e. outside EU/EFTA member states) may pay into the voluntary Swiss OASI/IV scheme; this option is not open to Uruguayan nationals.

What does export mean? This means that Swiss and Uruguayan nationals may receive their Swiss or Uruguayan pension even though they no longer live in the State paying their benefit.

Certain Swiss benefits (e.g. supplementary benefits) may not be exported, neither for Swiss nationals nor for Uruguayan nationals.

What does totalisation mean? Taking into account Swiss insurance periods (totalisation) facilitates a person's entitlement to Uruguayan benefits. A person must have paid insurance contributions for a minimum of 30 years to be eligible for a Uruguayan pension. The periods completed in Switzerland are taken into account, to give rise to an entitlement to benefits (see section 8).

Entitlement to a Swiss old-age pension is exclusively based on contributions paid into 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? Individuals are generally subject to compulsory insurance in accordance with the legal provisions in the contracting State on whose territory they work (principle of being subject to the social security legislation of the country of employment).

This means that a Uruguayan employee working exclusively in Switzerland is, in principle, subject to Swiss social security legislation and must therefore contribute to Swiss compulsory social security schemes. Individuals who work on a self-employed basis in either State and who live in one of these States are covered only by the relevant compulsory social security schemes in the State where they work.

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

I work for an airline or on a sea-going vessel There are special provisions governing the affiliation of flying personnel (i.e. pilots and cabin crew) who work on the territories of Switzerland and Uruguay for an airline headquartered in either one of these States.

The crew of a vessel sailing under the Swiss or Uruguayan flag are subject to the social security legislation of the flag 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 invalidity 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 pay.

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

What about health insurance? The agreement does apply to health insurance. As a general rule, anyone taking up residence in Switzerland must take out health insurance cover with an authorised Swiss insurer within three months of arriving on Swiss territory and pay monthly health insurance premiums. 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 the Swiss occupational old-age, survivors' and invalidity insurance scheme (Occupational Pension Act, OPA): However, Swiss legislation states that employees who pay compulsory OASI contributions become liable for compulsory OPA contributions when they meet a number of requirements (minimum qualifying age and salary, in particular).

6 Postings – an exception to the rule

Maintaining affiliation to the legislation of the country of origin Employees who are posted temporarily to Uruguay 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 Uruguayan social security schemes covered by the agreement.

Likewise, employees who are posted temporarily to Switzerland by their Uruguayan employer remain subject to the provisions of Uruguayan 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 commencing 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 the worker and the employer must continue to exist for the entire duration of the posting. In particular, an employer who posts a worker abroad must retain the sole power to terminate the employment relationship (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 employer, but the salary does not have to be paid directly by the posting employer.

Issue of the certificate of posting	<p>The employer asks the competent insurance institution in the State from which the employee is being posted (State of origin) to issue a certificate of posting.</p> <p>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.</p>
Competent insurance institutions	<p>In Switzerland the competent insurance institutions are the competent OASI compensation offices. The application form for a certificate of posting as regards postings from Switzerland can be downloaded at the following link.</p> <p>In Uruguay the competent authority is the Social Insurance Bank (BPS, www.bps.gub.uy).</p>
May the posting be extended?	<p>Should the posting exceed the time limit of two years, it is possible to apply for an extension of no more than 24 months by submitting a request to the competent authority in the State of origin:</p> <ul style="list-style-type: none"> - in Switzerland: the Federal Social Insurance Office (www.bsv.admin.ch) - in Uruguay: the Social Insurance Bank (BPS, www.bps.gub.uy).
What about family members?	<p>Non-working family members (spouse and children) accompanying a posted worker also remain subject to the social security legislation of the State of origin.</p>

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 invalidity benefits

Retirement age in Switzerland	<p>Statutory retirement age in Switzerland is 64 for women and 65 for men.</p>
Old-age benefits – Work periods in Switzerland and Uruguay	<p>Uruguayan or Swiss nationals who have worked both in Switzerland and in Uruguay, and have therefore contributed to both social security systems, receive partial pensions from each State provided that they meet the legal requirements of each State. The amount they receive will depend on their insurance record in each State.</p>

Who can claim old-age and survivors' pensions?

Uruguayan nationals can claim a regular Swiss old-age insurance pension (full or partial) under the same conditions as Swiss nationals. This applies equally to Swiss survivors' pensions (widow's/widower's/orphan 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 in principle draw a Swiss old-age or survivors' pension regardless of the country in which they live.

Swiss benefits are paid to Uruguayan nationals under the same terms as to Swiss nationals, on the basis of the social security agreement. In other words, they can in principle be exported anywhere in the world.

A lump-sum payment instead of a pension?

Uruguayan nationals or their survivors who do not reside in Switzerland and who qualify for a Swiss old-age and survivors' pension which is not more than 10% of the full ordinary pension receive a one-off lump-sum payment instead of a partial pension. If the old-age and 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.

Once the one-off lump sum has been paid or contributions refunded, it is no longer possible to make further claims against the Swiss social security system in respect of paid contributions.

Occupational pensions?

The agreement does not cover the legal provisions on occupational old-age, survivors' and invalidity insurance. 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 a Uruguayan national has paid occupational pension contributions while working in Switzerland, he may request that his accumulated capital (termination benefits) is paid out in cash provided that he 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).

Invalidity benefits

Swiss invalidity insurance legislation (IV) provides for the payment of cash benefits (pensions and daily allowances) and rehabilitation measures.

What are rehabilitation measures?

Rehabilitation measures are provided by the Swiss invalidity 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).

Entitlement to and export of rehabilitation measures	The agreement simplifies access to Swiss IV rehabilitation measures for Uruguayan nationals residing in Switzerland.
Persons:	
a) who are subject to compulsory insurance contributions	Uruguayan nationals who were subject to compulsory Swiss old-age, survivors' and invalidity insurance contributions immediately prior to the onset of their disability 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/IV schemes	Uruguayan nationals who, immediately prior to their eligibility for rehabilitation measures, were not subject to compulsory insurance contributions because they failed to meet the age-related conditions, but who were nonetheless insured under the Swiss old-age, survivors' and invalidity insurance schemes on the basis of their domicile in Switzerland, may qualify for rehabilitation measures provided that they satisfy certain conditions: they must reside in Switzerland and have lived there without interruption for at least one year prior to their need for rehabilitation measures. Rehabilitation measures cannot be exported.

Right of disabled children to rehabilitation measures	<p>Minor children may qualify for Swiss invalidity insurance rehabilitation measures provided that they are domiciled in Switzerland and have lived there without interruption since their birth. Rehabilitation measures for minor children cannot be exported.</p> <p>Specific provisions apply to ensure that children born disabled in Uruguay receive equal treatment. In certain circumstances, the Swiss invalidity insurance scheme will cover the costs arising from a congenital illness.</p>
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Entitlement to invalidity pensions	If a Uruguayan national meets the qualifying requirements stipulated in Swiss invalidity insurance legislation (i.e. a minimum insurance period of three years completed in Switzerland as well as conditions pertaining to the degree of disability), this person may be entitled to a Swiss IV pension, possibly a partial one (prorated to the contributions paid in Switzerland).
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Can invalidity pensions be exported?	<p>Regular Swiss IV pensions can be exported provided that the claimant's degree of invalidity is at least 50%. In other words, the IV pensions of Swiss and Uruguayan nationals can be exported worldwide.</p> <p>Swiss and Uruguayan nationals whose degree of invalidity is less than 50% will only receive a Swiss invalidity pension if they reside in Switzerland.</p>
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More information on the Swiss social security system can be found in the booklet "[Social Security in Switzerland](#)".

8 Uruguayan old-age, survivors' and invalidity benefits

Submission of a claim for Uruguayan benefits Claimants living in Switzerland submit their claims to the Swiss Compensation Office SCO (see Section 9).

Recognition of Swiss insurance periods Where the insurance periods completed in Uruguay do not entitle an individual to a Uruguayan pension (minimum of 30 years' insurance), the insurance periods completed in Switzerland are taken into account (totalisation).

Under certain circumstances, insurance periods completed in third States with which Uruguay has a social security agreement may also be taken into account.

Export of Uruguayan benefits The agreement provides for the export of Uruguayan pensions to third States.

Information on the social security system in Uruguay is available at www.bps.gub.uy (in Spanish).

9 Competent authorities, liaison bodies and contact points

Benefit claims

- **Individuals living in Switzerland** should submit their Uruguayan benefit claims to the Swiss Compensation Office (SCO).
- **Individuals living in Uruguay** should submit their Swiss benefit claims to the Social Insurance Bank (Banco de Prevision Social BPS; www.bps.gub.uy).

Swiss competent authority

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

Swiss liaison body for OASI/IV

Swiss Compensation Office (SCO)
Av. Edmond-Vaucher 18, case postale 3100
1211 Geneva
www.zas.admin.ch

Uruguayan competent authority

Banco de Prevision Social
Montevideo
Uruguay
www.bps.gub.uy

Contact points in Switzerland

In Switzerland, queries and requests should be sent to the following bodies:

Queries regarding the export of OASI/IV pensions	Swiss Compensation Office (SCO), Geneva
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Questions relating to postings from Switzerland (certificate of posting)	Competent compensation fund (cf. Section 6)
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Queries regarding extension of postings	FSIO
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