

**AGREEMENT
BETWEEN
THE CZECH REPUBLIC
AND
THE REPUBLIC OF ALBANIA
ON SOCIAL SECURITY**

The Czech Republic and the Republic of Albania, hereinafter referred to as “the Contracting States”,

Being desirous of regulating and developing the relations between the two States in the field of social security,

Have agreed as follows:

Part I - General provisions
Article 1- Definitions

1. For the purposes of this Agreement, the following terms shall mean:
 - a) “*legislation*” - the laws and other national regulations related to the branches of social security specified in Article 2;
 - b) “*competent authority*”
the Ministries responsible for the branches of social security specified in Article 2;
 - c) “*institution*” - the body or authority responsible for applying the legislation specified in Article 2;
 - d) “*competent institution*” - the institution of which expenses the benefits are provided;
 - e) “*benefits*” - all benefits specified in Article 2;
 - f) “*benefits in kind*” – health care and other non-cash sickness benefits;
 - g) “*residence*” - habitual residence;
 - h) “*stay*” - temporary residence;
 - i) “*periods of insurance*” - the periods of contribution and the equivalent periods completed under the legislation of each Contracting State.

2. The other terms and expressions which are used in this Agreement shall have the meanings assigned to them in the legislation of either Contracting State.

Article 2 - Material scope

1. This Agreement shall apply:

for the Czech Republic, to the legislation regulating:
 - a) i. sickness and maternity benefits;
ii. pension insurance benefits in respect of old-age, invalidity and survivors;
iii. accidents at work and occupational diseases benefits;

 - b) liability for payment of contributions on social security, state employment policy and the health insurance contribution under the legislation determined in accordance with Part II;

for the Republic of Albania, to the legislation regulating:

- a) as regard Compulsory Social Insurance Scheme:
 - i. sickness benefits in cash for employed persons;
 - ii. maternity benefits in cash for employed and self-employed persons, as well as for employers;
 - iii. benefits in cash in respect of accidents at work and occupational diseases for employed persons;
 - iv. old age, invalidity and survivors` pensions for employed and self-employed persons, as well as for employers;
- b) as regard Health Insurance Scheme, benefits in kind of the Compulsory Health Care Insurance;
- c) liability for payment of social insurance and health insurance contributions under the legislation determined in accordance with Part II.

2. This Agreement shall also apply to the legislation codifying, replacing, amending or supplementing the legislation on the benefits specified in paragraph 1.

3. This Agreement shall not apply to social assistance or to benefit schemes for victims of war or its consequences.

4. This Agreement shall not apply to the legislation introducing a new social security scheme, unless the competent authorities agree upon otherwise.

Article 3 - Personal scope

This Agreement shall apply to all persons who are or have been subject to the legislation of either or both Contracting States as well as to other persons who derive their rights from those persons.

Article 4 - Equal treatment

Unless otherwise provided in this Agreement the persons specified in Article 3 shall have the same rights and obligations which under the legislation of Contracting State have the nationals thereof.

Article 5 - Export of benefits

1. Entitlement to and payment of benefits in cash according to the legislation of one Contracting State cannot be reduced, amended, suspended, or confiscated on account of the fact that the beneficiary resides in the territory of the other Contracting State, unless otherwise provided in this Agreement.

2. Benefits provided under the legislation of either Contracting State or this Agreement shall be paid to persons who reside in the territory of the third State under the same conditions as if they were nationals of that Contracting State residing in the territory of the third State.

Article 6 - Avoiding the overlapping of benefits

Unless otherwise specified, this Agreement cannot provide or maintain the right to two or more benefits of the same kind that cover the same risk, on the ground of the same period of compulsory insurance.

Part II - Applicable legislation

Article 7 - General rule

Unless otherwise provided in this Agreement, a person pursuing an activity as an employed or self-employed person in the territory of one of the Contracting States shall with regard to that activity be subject only to the legislation of that Contracting State.

Article 8 - Posted workers

1. A person normally employed in the territory of one Contracting State and who is posted by his/her employer to the territory of the other Contracting State to perform certain work for that employer shall continue to be subject to the legislation of the first Contracting State as if the person were employed in its territory, provided that the anticipated duration of posting does not exceed a period of 24 months and that person is not sent to replace another posted person whose posting period has come to an end. For purposes of applying this paragraph, an employer and an affiliated or subsidiary company of the employer, as defined under the laws of the Contracting State from which the person was posted, shall be considered one and the same, provided that the employment in the territory of the other Contracting State would have been covered under the laws of the Contracting State from which the person was posted absent this Agreement.

2. Paragraph 1 of this Article shall apply where a person who has been posted by his or her employer from the territory of a Contracting State to the territory of a third State, and who is compulsorily covered under the laws of that Contracting State while employed in the territory of the third State, is subsequently posted by that employer from the territory of the third State to the territory of the other Contracting State.

3. A person who is normally self-employed in the territory of one Contracting State, and who temporarily transfers his or her self-employment activity to the territory of the other Contracting State shall be subject to the laws of only the first Contracting State, provided that the period of self-employment activity in the territory of the other Contracting State does not exceed a period of 12 months.

Article 9 - Personnel of the international transport undertakings

1. Notwithstanding paragraphs 2 and 3 of this Article, a person employed by an international transport undertaking which has its registered office in the territory of a Contracting State shall be subject to the legislation of that Contracting State.
2. A person employed by a branch or permanent representation of an international transport undertaking shall be subject to the legislation of the Contracting State in whose territory such branch or permanent representation is situated.
3. A person employed in the territory of the Contracting State where he/she resides shall be subject to the legislation of that Contracting State, if the international transport undertaking which employs him/her has no registered office or branch or permanent representation in its territory.

Article 10 - Crew members on vessels

A person pursuing an activity as an employed or self-employed person on board of a vessel flying the flag of either Contracting State shall be subject to the legislation of that Contracting State.

Article 11 – Civil servants

Civil servants and the persons deemed as such shall be subject to the legislation of the Contracting State in whose administration they are employed.

Article 12 - The diplomatic missions and consular offices

The members of the diplomatic missions and consular offices, as well as private personnel employed in their service, shall be subject to the provisions of the Vienna Convention on Diplomatic relations of April 18, 1961 and the Vienna Convention on Consular Relations of April 24, 1963.

Article 13 – Exceptions from the provisions of Articles 7 to 12

At the joint request of an employee and his employer or at the request of a self-employed person, the competent authorities or institutions authorised by them of the two Contracting States may agree to grant an exception to the provisions of this Part with respect to individual persons or categories of persons, provided that any affected person shall be subject to the legislation of one Contracting State.

Part III – Special provisions concerning the various categories of benefits

Section 1 – Sickness and maternity benefits

Article 14 - Aggregation of periods of insurance

If the legislation of either Contracting State makes entitlement to benefits conditional upon the completion of periods of insurance, the competent institution of this State shall take into account, if necessary, the periods of insurance completed under the legislation of the other Contracting State, provided that they do not overlap, as if they were periods of insurance completed under the legislation of the first Contracting State.

Article 15 – Award of benefits

1. A person who has acquired the entitlement to benefits under the legislation of one Contracting State shall receive in the territory of the other Contracting State
 - a) benefits in kind from the institution of the other Contracting State according to its legislation as if he/she were insured there, but only to the extent necessary, if the health condition of the person in question calls for the immediate provision of such benefits;
 - b) cash benefits directly from the competent institution of the first Contracting State according to its legislation.
2. Benefits in kind may be awarded in the territory of the other Contracting State even beyond the necessary extent mentioned in paragraph 1 with the consent of the competent institution of the first Contracting State.

Article 16 - Health insurance of the pensioners

Persons receiving pensions from both Contracting States shall be subject to the legislation on health insurance and shall be entitled to benefits in kind from the Contracting State in whose territory they are resident.

Article 17 - Reimbursement of benefits in kind costs

1. The competent institution of one Contracting State shall reimburse to the institution of the other Contracting State the costs of benefits granted under the Article 15, for each case, excepting the administrative expenses.
2. The amount of costs intended for reimbursement by the competent institution is determined by the institution which has provided the benefits, at prices charged to its own insured persons for the provision of benefits.
3. The competent authorities shall agree the technical aspects of the provision of benefits and binding method of reimbursement of costs between the institutions of the Contracting States. With the aim to simplify the administrative procedures they may also

agree that for all cases, or for a certain group of cases, lump-sum payments will be used instead of individual reimbursements in each individual concrete case.

Section 2 - Old age, invalidity and survivors' benefits
Article 18 - Aggregation of the insurance periods

1. Where the legislation of one Contracting State makes the acquisition, maintenance or recovery of the right to a benefit conditional upon the existence or completion of certain periods of insurance, the competent institution of this Contracting State shall take account of existence of insurance or of equivalent periods of insurance completed under the legislation of the other Contracting State, in so far as they are not overlapping, as if they were an insurance completed under its legislation.

2. The institution of each Contracting State takes into account also periods of insurance completed under the legislation of a third state with which that Contracting State is bound by a social security instrument which provides for the totalisation of periods.

Article 19 – Calculation of benefits

1. The competent institution of the Contracting State shall calculate the amount of the benefit that would be due:

- a) under the legislation it applies, where the conditions for entitlement to benefits have been satisfied on the basis of the periods of insurance completed exclusively under its legislation; and
- b) according to the rules provided by paragraph 2, with the exception when the result of this calculation is equal to or lower than the result of the calculation under subparagraph a).

2. The competent institution of the Contracting State shall establish the amount of the benefit taking into account periods of insurance completed under the legislation of the other Contracting State or the third State within the meaning of Article 18, as follows:

- a) calculate the theoretical amount of the benefit which could have been claimed if all periods of insurance had been completed under its legislation; and
- b) then - on the basis of the theoretical amount calculated in accordance with subparagraph a) - determine the amount of the benefit payable by applying the ratio of the duration of the periods of insurance completed under its legislation to the total periods of insurance.

In order to determine the basis for calculation of the benefit, the competent institution shall take into account only income earned during the periods of insurance completed under the legislation which it applies. This institution shall consider this income – indexed and

averaged if presumed by the applicable legislation – as gained during the periods of insurance that are taken into account for the calculation of the theoretical amount of the benefit.

3. The person concerned shall be entitled to the highest amount calculated in accordance with paragraphs 1 and 2.

Article 20 - Periods of insurance less than one year

1. Notwithstanding the provisions of Article 18, where the total duration of the periods of insurance completed under the legislation of the Contracting State is less than one year and where, on the basis solely of those periods, no right to benefit exists under that legislation, the institution of that Contracting State shall not be bound to grant benefits in respect of the said periods.

2. The periods of insurance referred to in paragraph 1 shall be taken into account by the institution of the other Contracting State as if those periods had been completed under the legislation it applies.

Article 21 - Assimilation of facts

1. Events that have legal effect on entitlement to, reduction, suspension or amount of benefits, and which occurred in the territory of the other Contracting State, shall be taken into account as if they had taken place in the territory of the first Contracting State.

2. The competent authority of each Contracting State may, in the interest of categories of beneficiaries, limit the application of the provision of paragraph 1.

Article 22 - Special Provision concerning the Czech Republic

A person whose disability began before reaching the age of 18 and who has not participated in the insurance scheme for the necessary period shall have the right to a invalidity benefit provided this person has a residence in the Czech Republic.

Section 3 - Accidents at work and occupational diseases benefits

Article 23 - Award of benefits in cash

1. Accidents at work and occupational diseases benefits shall be granted by the competent institution of the Contracting State whose legislation was applicable to person in the moment when the accident at work occurred or the period when the person has been engaged in an occupation liable to cause an occupational disease.

2. Where the legislation of either Contracting State makes the granting of benefits conditional upon the disease in question being first diagnosed in its territory, that condition

shall be deemed to have been fulfilled if the disease was first diagnosed in the territory of the other Contracting State.

3. Where the legislation of either Contracting State makes the granting of benefits subject to the condition that an occupation liable to cause the disease in question was carried out for a specific period, any period of similar occupation carried out under the legislation of the other Contracting State, shall be taken into account.

Article 24 - Benefits in kind

Benefits in kind shall be provided and reimbursed according to the Part III - Section 1 of this Agreement.

Article 25 - Award of benefits in cash for the aggravation of an occupational disease

Where a person has received or is receiving benefits for occupational disease from the competent institution of one of the Contracting States and claims benefit, in the event of an aggravation of his disease, due to the occupation liable to cause such a disease in the territory of other Contracting States, the following provisions shall apply:

- a) the benefits are granted by the institution of the first Contracting State, under its legislation without taking into account the aggravation of the disease;
- b) the institution of the other Contracting States shall grant the benefit in the amount equal with the difference between the amount of the benefits due after the aggravation and the amount of the benefit that would have been awarded before the aggravation, under the legislation it applies.

Part IV - Miscellaneous provisions

Article 26 - Administrative and co-operation measures

1. The competent authorities of both Contracting States shall regulate and determine the necessary measures for the application of this Agreement.

2. The competent authorities:

- a) shall agree upon the Administrative Arrangement for the application of this Agreement;
- b) shall mutually inform each other of the changes in the legislation of the Contracting States;
- c) shall establish the liaison bodies with a view to facilitate the communication between the institutions of the Contracting States.

3. The competent authorities and institutions of the two Contracting States shall assist one another on any matter relating to the application of this Agreement as if the matter affected the application of their own legislation. Such assistance shall be free of charge.

4. If a person residing or staying in the territory of either Contracting State has claimed or is receiving benefit under the legislation of the other Contracting State and a medical examination is necessary, the institution of the place of residence or stay of the first Contracting State shall arrange the examination at its expenses at the request of the competent institution of the other Contracting State.

Article 27 - Use of official languages

1. For the application of this Agreement, the authorities and the institutions of the Contracting States may communicate with one another directly in their official languages and also in English.

2. No claim or document shall be rejected on the ground that it is written in the official language of the other Contracting State.

Article 28 - Exemption from charges and authentication

1. If the legislation of either Contracting States provides exemption, either wholly or partly, from any court costs, consular fees or administrative charges, such exemption shall be applied to any documents submitted under the legislation of the other Contracting State for application of this Agreement.

2. All statements, documents and certificates of any kind required for the application of this Agreement shall be exempted from authentication by the diplomatic and consular authorities.

3. Copies of documents which are certified as true and exact copies by an institution of one Contracting State shall be accepted as true and exact copies by an institution of the other Contracting State, without further certification.

Article 29 - Submission of claim or appeal

Any claim or appeal which, under the legislation of either Contracting State, has to be submitted within a prescribed period to the competent authority or institution of that Contracting State shall be treated as such if it is submitted within the same period to the corresponding authority or institution of the other Contracting State. In such a case, the competent authority or institution of the Contracting State which receives the claim or appeal, forwards it, without delay, to the authority or institution of the first Contracting State, either directly, or through liaison bodies of both Contracting States.

Article 30 - Recovery of overdue payments

If the institution of the Contracting State has paid benefits unduly or in excess to a person, this institution may, within the terms and limits laid down in the legislation it applies, request the institution of the other Contracting State responsible for paying benefits to the person concerned to deduct the undue amount from arrears or on-going payments owed to the person concerned. The institution of the other Contracting State shall deduct the amount concerned subject to the conditions and limits in accordance with the legislation it applies in the same way as if it had made the overpayments itself, and shall transfer the amount deducted to the institution that has paid benefits unduly or in excess.

Article 31 - Enforcement procedures

1. Enforceable court decisions of either Contracting State as well as enforceable documents issued by an authority or institution of either Contracting State, in respect of social security contributions or other debts shall be recognized in the territory of the other Contracting State.
2. Recognition may be refused only if it would be incompatible with the public order of the Contracting State in whose territory recognition of the decision or the document should be enforced.
3. Enforceable decisions and documents recognized under paragraph 1 of this Article shall be enforced in the territory of the other Contracting State. The enforcement procedure shall be in compliance with the legislation governing the enforcement of such decisions and documents of the Contracting State in whose territory enforcement takes place.
4. Any kind of debts belonging to the institution of either Contracting State shall have, in any bankruptcy procedure or enforced settlement in the territory of the other Contracting State, the same precedence as the equivalent claims in the territory of that Contracting State.

Article 32 - Currency of payment

Payments into the other Contracting State, resulting from the application of this Agreement shall be made in convertible currencies.

The procedure of payments and exchange rates will be detailed in the Administrative Arrangement.

Any currency control of a Contracting State shall not interfere with the transfer of funds resulting from the implementation of this Agreement.

Article 33 – Confidentiality of Exchanged Information

Unless otherwise required by the national statutes of a Contracting State, information about an individual which is transmitted in accordance with this Agreement to that Contracting State by the other Contracting State shall be used exclusively for purposes of implementing this Agreement. Such information received by a Contracting State shall be governed by the national statutes of that Contracting State for the protection of privacy and confidentiality of personal data.

Article 34 – Resolution of disputes

Any disputes concerning the interpretation or application of this Agreement shall be settled by consultations between the competent authorities or institutions of the Contracting States.

Part V - Transitional and final provisions

Article 35 - Transitional provisions

1. This Agreement shall confer no rights for any period before its entry into force.
2. All periods of insurance completed under the legislation of the Contracting States before the entry into force of this Agreement shall be taken into account for the purpose of determining rights arising from this Agreement.
3. Subject to paragraph 1 of this Article, rights may arise under this Agreement even in respect of a contingency which arose before its entry into force, except for lump-sum payment.
4. The rights of persons to whom a pension was provided prior to the entering into force of this Agreement may, at the request of persons concerned, be reviewed under the provisions of this Agreement. This review may not result in the reduction of existing rights of beneficiaries.
5. If a request for the benefit or its review referred to in this Article is submitted within two years from the date of entering into force of this Agreement, the rights acquired in accordance with this Agreement shall have effect from that date, and the legislation of the Contracting States concerning the forfeiture or limitation of rights may not be invoked against the persons concerned.

Article 36 – Ratification and entry into force

1. This Agreement is subject to ratification.
2. This Agreement shall enter into force on the first day of the third calendar month following the month in which the Contracting States inform each other by written

notification that all necessary statutory and constitutional requirements for the entry into force of this Agreement have been fulfilled.

Article 37 – Duration and termination of the Agreement

1. This Agreement is concluded for an undetermined period.
2. Each Contracting State may terminate this Agreement by a written notification to the other Contracting State. In this case, this Agreement shall cease to be valid on the first day of the sixth calendar month following the month when the written notification has been delivered to the other Contracting State.
3. In case of termination of this Agreement, all rights acquired under its provisions shall be maintained and the claims submitted before the end of the validity of this Agreement shall be solved under its provisions. Contracting States will reach an arrangement for the procedures relating these rights.

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

Done at *Prague* on *13th October 2015*, in two original copies, each in the Czech, Albanian and English languages, all texts being equally authentic. In case of differences of interpretation, the English version shall prevail.

For the Czech Republic

Ms. Michaela Marksova
Minister of Labour and Social Affairs

For the Republic of Albania

Mr. Blendi KLOSI
Minister of Youth and Welfare