

Draft

**Agreement**

**between**

**the Czech Republic**

**and**

**the Republic of Cyprus**

**on Social Security**

The Czech Republic  
and  
the Republic of Cyprus

guided by the desire to settle mutual relations between the two states in the field of Social Security, have agreed as follows:

**PART I**

**General Provisions**

**Article 1**

(1) For the purposes of this Agreement the expression:

1. "Legislation"

means laws, regulations and other binding legal instruments concerning the branches of Social Security specified in Article 2;

2. "Territory"

means in relation to the Czech Republic its territory, and  
in relation to the Republic of Cyprus the Island of Cyprus;

3. "Competent authority"

means in relation to the Czech Republic the Ministry of Labour and Social Affairs, and  
in relation to the Republic of Cyprus the Ministry of Labour and Social Insurance;

4. "Institution"

means the body responsible for administering the legislation specified in Article 2;

5. "Competent institution"

means the institution at the expense of which the benefit is payable under the applicable legislation;

6. "Periods of insurance"

means a contribution period or an equivalent period, which is defined as such under the legislation of a Contracting State, appropriate to the benefit in question;

7. "Benefit"

means benefit provided under the legislation specified in Article 2;

8. "Unemployment benefit"

means cash benefit granted in order to provide material support to those who seek employment.

(2) Other expressions in this Agreement have the meaning assigned to them in each Contracting State pursuant to its legislation.

**Article 2**

(1) The provisions of this Agreement shall apply:

1. in relation to the Czech Republic to the legislation concerning

- a) sickness and maternity cash benefits,
- b) invalidity benefits,
- c) old-age benefits,
- d) survivor's benefits,
- e) cash benefits in respect of occupational injuries and diseases,
- f) funeral grants,
- g) unemployment benefits,
- h) children allowances;

2. in relation to the Republic of Cyprus to the legislation concerning

- a) maternity allowance, including maternity grant,
- b) sickness benefit,
- c) unemployment benefit,
- d) cash benefits for employment injuries and diseases,
- e) invalidity pension,
- f) old-age pension,
- g) widow's pension,
- h) orphan's benefit,
- i) funeral grant,
- j) child benefit.

(2) This Agreement shall also apply to any legislation which supersedes, replaces, amends, supplements or consolidates the legislation specified in paragraph (1) of this Article.

(3) Subject to paragraph (4) this Agreement shall not affect any other agreement on social security which either Contracting State has concluded with a third State.

(4) If a Contracting State has concluded an Agreement on Social Security with the third State, this Contracting State, if necessary, shall take into account periods of insurance completed under the legislation of the third State for the purpose of determining eligibility to benefits.

### **Article 3**

This Agreement shall apply :

a) to persons who are or had been subject to the legislation of one or both of the Contracting States;

b) to other persons with respect to the rights they derive from the persons described in subparagraph a).

### **Article 4**

Unless otherwise provided in this Agreement, nationals of one Contracting State shall, in the application of the legislation of the other Contracting State, receive equal treatment with the nationals of the latter State.

### **Article 5**

Unless this Agreement stipulates otherwise, the right to benefits shall not be denied and these benefits shall not be reduced, suspended or withdrawn by reason of the fact that the entitled person resides in the territory of the other Contracting State.

## **PART II**

### **Determination of the Legislation Applicable**

### **Article 6**

Unless Articles 7 and 8 stipulate otherwise and if not agreed otherwise pursuant to Article 9, gainfully employed person shall be subject to the legislation of the Contracting State in the territory of which the occupational activity is being carried out.

### **Article 7**

(1) An employee who is temporarily posted by his employer who is residing in the territory of one Contracting State to the territory of the other Contracting State shall continue to be subject to the legislation of the first Contracting State till the end of the 24th calendar months of his posting just as if he were still employed in its territory.

(2) Where a person employed by an air or road transport undertaking which has its principal place of business in the territory of one Contracting State is sent to work to the territory of the other Contracting State, the legislation of the first Contracting State shall apply.

(3) Civil servants and persons treated as such posted by one Contracting State to the territory of the other Contracting State are subject to the legislation of the Contracting State they were posted by.

(4) The crew of a seafaring ship and other persons employed on a seafaring ship are subject to the legislation of the Contracting State under the flag of which the ship sails.

### **Article 8**

Diplomats, members of Diplomatic Corps and Consular Missions as well as persons employed in their services are subject to the legislation pursuant to the Vienna Treaty on Diplomatic Relations of 16<sup>th</sup> April 1961 and the Vienna Treaty on Consular Relations of 24<sup>th</sup> April 1963.

### **Article 9**

On the joint request of an employee and his employer or the self-employed person the competent authorities of both Contracting States may agree on exceptions to articles 6 to 8.

## **PART III**

### **Special Provisions for Individual Branches of Social Security and Benefits**

#### **Chapter One**

#### **Provisions relating to the Calculation of Insurance Periods**

### **Article 10**

(1) For the purpose of calculating an insurance period for entitlement to any benefit provided under the legislation of the Republic of Cyprus, a person shall be treated for each day

of insurance completed under the legislation of the Czech Republic as having insurable earnings under the legislation of the Republic of Cyprus equal to one seventh of the weekly amount of the basis insurable earnings. For this purpose one year of insurance under the legislation of the Czech Republic shall be equivalent to 364 days.

(2) For the purpose of calculating an insurance period for entitlement to any benefit provided under the legislation of the Czech Republic:

a) each week of insurance completed before 6 October 1980 under the legislation of the Republic of Cyprus shall be treated as a period of insurance of 7 days under the legislation of the Czech Republic;

b) the insurable earnings for any insurance period completed under the legislation of the Republic of Cyprus after 5 October 1980 shall be divided by the weekly amount of the basic insurable earnings applicable in the relevant contribution year. The figure so calculated, subject to a maximum of the number of weeks during which the person was subject to that legislation in that year, shall be treated as representing the number of weeks in the insurance period. Each such week shall be treated as equivalent to seven days insurance under the legislation of the Czech Republic;

c) each 364 days of insurance under the legislation of the Republic of Cyprus shall be treated as equivalent to one year of insurance under the legislation of the Czech Republic.

(3) Periods of studies of a Cypriot national in the Czech Republic, which are assimilated to periods of insurance under the legislation of the Republic of Cyprus, shall not be treated as periods of insurance under the legislation of the Czech Republic.

(4) Where it is not possible to determine accurately the periods of time in which certain insurance periods were completed under the legislation of one Contracting State, such periods shall be presumed not to overlap with insurance periods completed under the legislation of the other Contracting State.

## **Chapter Two**

### **Sickness and Maternity**

#### **Article 11**

(1) Where a person has claimed benefits under the legislation of the Contracting State he or she was last subject to, then for the purpose of entitlement to sickness or maternity benefits

under the legislation of that Contracting State any insurance period completed under the legislation of the other Contracting State shall be treated, if necessary, as if it was an insurance period completed under the legislation of the former Contracting State.

(2) Where a person would be entitled to receive sickness benefit under the legislation of both Contracting States for the same period of incapacity, whether by virtue of the provisions of this Agreement or otherwise, he shall be entitled to receive sickness benefit by virtue of the legislation under which he was last subject to.

(3) Where a woman would be entitled to receive maternity allowance under the legislation of both Contracting States for the same period whether by virtue of the provisions of this Agreement or otherwise, she shall be entitled to receive the benefit by virtue of the legislation under which she was last subject to.

(4) Where, but for the provisions of this paragraph, a person would be entitled to receive a birth grant under the legislation of both Contracting States in respect of the same confinement, the grant shall be payable only under the legislation of the Contracting State in whose territory the confinement took place. If the confinement did not take place in the territory of either Contracting State, the grant shall be payable under the legislation of the Contracting State under whose legislation the person entitled to the grant was last subject to.

### **Chapter Three**

#### **Occupational Injuries and Diseases**

##### **Article 12**

Benefits in respect of occupational injuries and diseases are provided by the institution of that Contracting State to whose legislation the person was subject at the time he or she sustained an injury at work or last performed work followed by an occupational disease. The institution of the other Contracting State provides only such benefits which it would be obliged to provide under the legislation of this Contracting State and this Agreement in the event of injuries and diseases caused by general reasons.

##### **Article 13**

If the legislation of one Contracting State stipulates that benefits in respect of occupational diseases are provided only if the activity which might cause the disease is carried out for a certain minimum period, then the competent institution of this Contracting State shall, where necessary, take into account periods of pursuing such an activity during which the above activity was subject to the legislation of the other Contracting State.

#### **Article 14**

(1) Where a person is employed in the territory of one Contracting State and the legislation of the other Contracting State applies to him, he shall be treated under that legislation for the purpose of any claim for benefit in respect of an occupational accident or disease contracted during that employment, as if the accident had occurred or the disease had been contracted in the territory of the latter Contracting State.

(2) Where a person to whom the legislation of one Contracting State applies, sustains an accident after he leaves the territory of that Contracting State to go in the course of his employment to the territory of the other Contracting State but before he arrives in the latter territory, then, for the purpose of any claim for benefit in respect of that accident:

- a) the accident shall be treated as if it occurred in the territory of the first Contracting State and
- b) his absence from the territory of the first Contracting State shall be disregarded in determining whether his employment was as an employed person under that legislation.

### **Chapter Four**

#### **Invalidity, Old-age and Survivors' Pensions**

##### **Section 1 - Common Provisions**

#### **Article 15**

If under the legislation of one Contracting State the conditions for the entitlement to benefit are satisfied even without taking into account periods of insurance completed under the legislation of the other Contracting State, then the competent institution of the first Contracting State will determine entitlement to benefits exclusively on the basis of the periods of insurance completed under its own legislation.

#### **Article 16**

(1) Where the legislation of one Contracting State makes the acquisition, maintenance or recovery of entitlement to benefits conditional upon the existence or completion of periods of insurance, the competent institution of this Contracting State shall also take into account, to the extent necessary, the existence or completion of periods of insurance completed under the legislation of the other Contracting State as if they were periods of insurance completed under its own legislation.



(2) The total benefit payable by the competent institutions of the two Contracting States under this Article shall not be less than the minimum benefit provided under the legislation of the Contracting State in whose territory the beneficiary resides. The difference, if any, shall be paid by the competent institution of the latter Contracting State.

### **Article 17**

If the duration of the period of insurance completed under the legislation of one Contracting State is less than twelve months and does not found any right to benefits, then the institution of this Contracting State will not award the benefit. These periods will be taken into account by the institution of the other Contracting State as if these periods of insurance were completed under its own legislation.

### **Article 18**

(1) The provisions of the legislation of one Contracting State on reduction, suspension or withdrawal of benefits in the event of their overlapping with other benefits or income or by reason of pursuing gainful employment are also applied with respect to recipients of benefits acquired under the legislation of the other Contracting State or persons deriving an income or pursuing gainful employment outside the territory of the first Contracting State.

(2) The rule on reduction, suspension or withdrawal of benefits pursuant to paragraph 1 does not apply to concurrency of benefits of the same kind in respect of invalidity, old-age, survivors and occupational injuries and diseases which are granted by the institutions of both Contracting States.

(3) If for the overlapping of benefits of different kind reduction of benefits under the legislation of both Contracting States was simultaneously implemented, then this would be implemented only to the extent of half the reduction carried out under the legislation of each of the Contracting States.

(4) The competent authorities of the Contracting States may in respect of the recipients of benefits restrict the application of legislative provisions on reduction, suspension or withdrawal of benefits in the event of their concurrency mentioned in the preceding paragraphs or exclude their application totally. This procedure becomes mandatory if the application of provisions on reduction, suspension or withdrawal of benefits results in diminishing the beneficiaries rights as opposed to their rights without any Agreement in the field of Social Security between the Contracting States.

## **Section 2 - Special Provisions**

### **Application of the Legislation of the Czech Republic**

#### **Article 19**

If under the legislation of one the Czech Republic the right to benefits can be acquired only with regard to periods of insurance completed under the legislation of the Republic of Cyprus, then these periods are taken into account only to the extent necessary and:

1. Benefits, the amount of which depend on the length of insurance, are determined solely to the extent corresponding to periods of insurance completed exclusively under the legislation of the Czech Republic.

2. Benefits or parts thereof, the amounts of which do not depend on the length of insurance, are determined in the ratio which the periods completed exclusively under the legislation of the Czech Republic bear to 30 years, however to the full amount of the benefit at the most; this does not apply to benefits or parts thereof provided to ensure the minimum income.

3. Periods added to periods of insurance after invalidity occurred in order to determine benefits in respect of a long-term unfavourable state of health and survivors' benefits are evaluated in the ratio the periods of insurance completed exclusively under the legislation of the Czech Republic bear to two thirds of the periods which have elapsed between the 16th year of age of the person in question and the occurrence of invalidity or death, however to the full length at the most.

4. For determining the measurement base for the calculation of benefits the periods of insurance completed under the legislation of the other Contracting State are being excluded.

#### **Article 20**

The condition for acquiring the right to a full invalidity pension for persons, who by reason of their long-term unfavourable state of health having originated before reaching eighteen years of age could not participate in the insurance scheme, is permanent residence in the territory of the Czech Republic.

## **Application of the Legislation of the Republic of Cyprus**

### **Article 21**

(1) The amount of benefits payable under the provisions of Article 16 shall be determined as follows:

a) the competent institution of the Republic of Cyprus shall calculate the theoretical benefit that would be payable if the insurance periods completed under the legislation of both Contracting States totalized as provided under paragraph 1) have been completed under the legislation of the Republic of Cyprus alone;

b) it shall then prorate the theoretical benefit so calculated by the fraction which represents the ratio of the insurance periods completed under its legislation in relation to the total of the insurance periods completed under the legislation of both Contracting States.

(2) The provisions of paragraph (1) shall not apply to supplementary benefit payable under the legislation of the Republic of Cyprus. This benefit shall be calculated under the provisions of the legislation of the Republic of Cyprus exclusively on the basis of periods of insurance completed under that legislation.

(3) In the application of Article 15 and 16, where, in accordance with the legislation of the Republic of Cyprus, a woman claims an old age pension, the competent institution of the Republic of Cyprus shall take into account, where appropriate, insurance periods completed by her husband under the legislation of either Contracting State.

(4) In applying the provisions of Article 16 and paragraph (3) of this Article, the competent institution of the Republic of Cyprus shall take into account insurance periods completed under the legislation of the Czech Republic after 6 January 1957.

## **Chapter Five**

### **Funeral Grant**

#### **Article 22**

(1) If a person is not entitled to a funeral grant solely on the basis of the insurance periods completed under the legislation of one Contracting State, that person's right to funeral grant shall be determined through the totalizing of insurance periods as provided in the Agreement.

(2) Where for the death of a person funeral grant would be payable under the legislation of both Contracting States, whether by virtue of the Agreement or otherwise, such grant shall be payable only under the legislation under which the deceased was last insured.

**Chapter Six**  
**Unemployment**

**Article 23**

(1) If a person has been employed since his last arrival in the territory of one Contracting State for at least 13 weeks in employment which is subject to unemployment insurance, then, for the purpose of entitlement to unemployment benefit under the legislation of this Contracting State, any contribution period completed under the legislation of the other Contracting State shall be treated as if it were a contribution period completed under the legislation of the first Contracting State.

(2) The period of payment unemployment benefit under the legislation of one Contracting State is reduced by the period during which the person had been paid unemployment benefit under the legislation of the other Contracting State within the course of the last twelve months prior to entitlement to benefit under the legislation of the first Contracting State.

(3) Unemployment benefit payable by virtue of the provisions of this Agreement under the legislation of either Contracting State is not exportable.

**Chapter Seven**  
**Child Benefits**

**Article 24**

If under the legislation of each of the Contracting States the conditions for the provision of child benefits in each of the Contracting States are fulfilled, child benefits will be provided on the basis of the legislation of that Contracting State in the territory of which the children for whom child benefits are payable presently reside.

**PART IV**  
**Miscellaneous Provisions**

**Article 25**

(1) The competent authorities of the Contracting States shall lay down procedures and adopt measures for implementing this Agreement.

(2) The competent authorities shall, in particular,

a) conclude an Administrative Arrangement for the application of this Agreement;

- b) inform each other about changes in the legislation of their respective States;
- c) designate liaison authorities to facilitate communication between the institutions of both Contracting States.

### **Article 26**

(1) The institutions, authorities and tribunals of the Contracting States shall assist each other in implementing this Agreement and shall act in a way as though they would apply their own legislation. This assistance shall be free of charge.

(2) The institutions shall mutually recognize each other's documents issued by the competent bodies of the other Contracting State. However, as regards the assessment of health conditions or degrees of invalidity decisions may be taken exclusively by the institution of that Contracting State which is liable to provide benefits. In doing so account may be taken of reports and medical opinions submitted by the institution of the other Contracting State.

(3) Medical examinations required under the legislation of one Contracting State in respect of a person residing in the territory of the other Contracting State shall be carried out at the request of the competent institution by the institution of the place of residence of the person concerned in the territory of the other Contracting State at the expense of the latter institution.

### **Article 27**

(1) Exemption from or reduction of administrative charges laid down by the legislation of one Contracting State in respect of certificates and other documents required to be submitted for the purposes of this legislation shall be extended to similar certificates and other documents required to be submitted for the purposes of the legislation of the other Contracting State in implementing this Agreement.

(2) The competent authorities or institutions of each of the Contracting States shall in respect of certificates and other documents required to be submitted in implementing this Agreement refrain from their authentication by diplomatic or consular authorities.

### **Article 28**

(1) Institutions, authorities and tribunals of one Contracting State may not reject claims or other documents submitted to them in relation to this Agreement on the ground that they are written in the official language of the other Contracting State or in English.

(2) In implementing this Agreement the institutions, authorities and tribunals may communicate directly with one another and with the persons concerned or their representatives or by means of liaison authorities in their official languages or in English.

### **Article 29**

(1) Any claim for benefit, declaration or appeal which should have been submitted, in order to comply with the legislation of one Contracting State, within a specified period to an administrative authority, tribunal or institution shall be admissible if it is submitted within the same period to a corresponding authority, tribunal or institution of the other Contracting State.

(2) Any claim for benefit submitted under the legislation of one Contracting State is deemed as a claim for a similar benefit under the legislation of the other Contracting State. This does not apply, however, if the applicant expressly requests the postponement the award of old-age benefit under the legislation of one of the Contracting States.

### **Article 30**

Payments under this Agreement by a Contracting State to a person who is residing in the territory of the other Contracting State are effected in any freely convertible currency.

### **Article 31**

(1) Differences and disputes which may arise in implementing this Agreement will be settled by agreement of the competent authorities of the Contracting States.

(2) If agreement cannot be reached in accordance with the preceding paragraph the dispute will be settled by negotiations between the Contracting States.

## **PART V**

### **Transitional and Final Provisions**

### **Article 32**

(1) This Agreement shall confer no rights to benefits for any period before its entry into force.

(2) This Agreement also applies to events which have occurred prior to the date on which it came into force with the exception of cases substantiating rights to lump-sum payments.

(3) When determining rights to benefits in accordance with this Agreement the periods of insurance completed prior to the date on which this Agreement came into force shall be also taken into account.

(4) Periods of employment of Cypriot workers in the former Czechoslovakia under the Agreement of 1976 between the Governments of the two States shall not be treated as periods of insurance under the legislation of the Czech Republic.

### **Article 33**

(1) Earlier decisions taken in matters governed by this Agreement do not contradict the application of this Agreement.

(2) Rights of persons whose pensions were calculated prior to the date on which this Agreement came into force may be recalculated upon request.

### **Article 34**

For determining rights on the grounds of previous occurrences pursuant to Article 32 paragraph 2 and Article 33 paragraph 2, the terms for their application as well as the time limits in accordance with the legislation of the Contracting States start, at the earliest, from the date on which this Agreement comes into force.

### **Article 35**

(1) This Agreement is subject to ratification.

(2) This Agreement will enter into force on the first day of the third month following the day on which the ratification documents have been exchanged.

### **Article 36**

(1) This Agreement has been concluded for an indefinite period. Each of the Contracting States may, however, denounce the Agreement in writing. In such a case the validity of the Agreement expires 6 months after the date of the delivery of the notice on denunciation to the other Contracting State.

(2) In the event of denunciation of this Agreement the rights acquired under its provisions shall be maintained.

Done at .....this day of ..... in duplicate, each in the Czech and the Greek language, both texts being equally authoritative.

For the Czech Republic

For the Republic of Cyprus