

(Japanese Note)

Budapest, August 23, 2013

Excellency,

I have the honour to refer to the Agreement between Japan and Hungary on Social Security which was signed today (hereinafter referred to as "the Agreement") and the amendments of the laws of Japan concerning the Japanese pension systems which will enter into force on October 1, 2015 (hereinafter referred to as "the amendments of the laws of Japan"). Through the amendments of the laws of Japan, the Employees' Pension Insurance will be applied to national public officials, local public officials, private school personnel and personnel of similar status on and after October 1, 2015, the additional pension for specified occupations under the mutual aid pensions will be abolished on October 1, 2015, transitional measures in the light of the abolition of that additional pension will be taken on and after October 1, 2015, and the benefits paid as retirement or other pensions to be introduced on October 1, 2015 (hereinafter referred to as "the benefits paid as retirement or other pensions") will be granted as an additional pension for national public officials, local public officials, private school personnel and personnel of similar status on and after October 1, 2015.

In this regard, the representatives of the Government of Japan and the Government of Hungary have held discussions on the application of the Agreement on and after October 1, 2015. The following is the understanding of the Government of Japan regarding the results of the above-mentioned discussions:

1. For the purpose of the application of the Agreement, the Japanese pension systems specified in paragraph 1 (a) (ii) to (v) of Article 2 of the Agreement (referred to as the "Japanese pension systems for employees" in the Agreement) shall be unified into the Employees' Pension Insurance specified in paragraph 1 (a) (ii) of Article 2 of the Agreement on and after October 1, 2015, in the light of the unification of the Japanese pension systems for employees by the amendments of the laws of Japan. The term "the Japanese pension systems for employees" in the Agreement means "the Employees' Pension Insurance" on and after October 1, 2015. The circumstances to which paragraph 3 of Article 15 and paragraph 4 of Article 16 of the Agreement will apply will not exist on and after October 1, 2015, as a result of the unification of the Japanese pension systems for employees into the Employees' Pension Insurance.

His Excellency
Dr. János Martonyi
Minister of Foreign Affairs
of Hungary

2. For the purpose of the application of paragraph 1 of Article 14 of the Agreement, the term "the additional pension for specified occupations under the mutual aid pensions" means, on and after October 1, 2015, such additional pension under the legislation of Japan before the amendments of the laws of Japan that may be granted as transitional measures on and after October 1, 2015, in the light of the abolition of the current additional pension for specified occupations under the Japanese mutual aid pensions by the amendments of the laws of Japan.

3. The Agreement shall not apply to the benefits paid as retirement or other pensions and any identical or substantially similar benefits to be introduced on and after October 1, 2015 in addition to, or in place of, the benefits paid as retirement or other pensions.

I have further the honour to propose that, if the above understanding is acceptable to the Government of Hungary, the present Note and Your Excellency's reply of acceptance shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the same date of the entry into force of the Agreement.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

岸田文雄
Minister for Foreign Affairs
of Japan

(Hungarian Note)

Budapest, August 23, 2013

Excellency,

I have the honour to acknowledge the receipt of Your Excellency's Note of today's date, which reads as follows:

"(Japanese Note)"

I have further the honour to confirm on behalf of the Government of Hungary that the foregoing understanding is acceptable to the Government of Hungary and to agree that Your Excellency's Note and this reply shall be regarded as constituting an agreement between the two Governments, which shall enter into force on the same date of the entry into force of the Agreement.

I avail myself of this opportunity to renew to Your Excellency the assurance of my highest consideration.

J. Martonyi
Minister of Foreign Affairs
of Hungary

His Excellency
Mr. Fumio Kishida
Minister for Foreign Affairs
of Japan