AGREEMENT BETWEEN JAPAN AND THE REPUBLIC OF FINLAND ON SOCIAL SECURITY

Japan and the Republic of Finland,

Being desirous of regulating their mutual relations in the field of social security,

Have agreed as follows:

PART I GENERAL PROVISIONS

Article 1
Definitions

- 1. For the purpose of this Agreement:
 - (a) the terms "a Contracting State" and "the other Contracting State" mean Japan or the Republic of Finland, as the context requires;
 - (b) the term "Finland" means the Republic of Finland;
 - (c) the term "national" means,

as regards Japan, a Japanese national within the meaning of the law on nationality of Japan,

as regards Finland, a Finnish national within the meaning of the Nationality Act of Finland;

(d) the term "legislation" means,

as regards Japan, the laws and regulations of Japan concerning the Japanese systems specified in paragraph 1 of Article 2,

as regards Finland, the laws and regulations of Finland concerning the Finnish systems specified in paragraph 2 of Article 2; (e) the term "competent authority" means,

as regards Japan, any of the Governmental organizations competent for the Japanese systems specified in paragraph 1 of Article 2,

as regards Finland, the Ministry of Social Affairs and Health;

(f) the term "competent institution" means,

as regards Japan, any of the insurance institutions, or any association thereof, responsible for the implementation of the Japanese systems specified in paragraph 1 of Article 2,

as regards Finland, any of the institutions or agencies responsible for the implementation of the Finnish systems specified in paragraph 2 of Article 2;

(g) the term "period of coverage" means,

as regards Japan, a period of contributions under the legislation of Japan concerning the Japanese pension systems specified in paragraph 1(a) of Article 2, and any other periods taken into account under that legislation for establishing entitlement to benefits, however, a period which shall be taken into account, for the purpose of establishing entitlement to benefits under that legislation, pursuant to other agreements on social security comparable with this Agreement, shall not be included,

as regards Finland, a period of contributions or any other period recognized as equivalent to a period of contributions under the Earnings-Related Pension Scheme; and

- (h) the term "benefit" means a pension or any other cash benefit under the pension systems of a Contracting State.
- 2. For the purpose of this Agreement, any term not defined in this Agreement shall have the meaning assigned to it under the applicable legislation.

Article 2 Matters Covered

This Agreement shall apply,

- 1. as regards Japan,
 - (a) to the following Japanese pension systems:
 - (i) the National Pension (except the National Pension Fund); and

however, for the purpose of this Agreement, the National Pension shall not include the Old Age Welfare Pension or any other pensions which are granted on a transitional or complementary basis for the purpose of welfare and which are payable wholly or mainly out of national budgetary resources and Article 12 shall not apply to the Japanese pension systems specified in (a) of this paragraph; and

(b) to the Japanese employment insurance system concerning the unemployment benefits;

however, for the purpose of this Agreement, Articles 5 to 7, paragraph 2 of Article 9, Article 11, Articles 14 to 18, Article 23, Article 26 (except paragraph 3) and paragraph 2 of Article 28 shall not apply to the Japanese system specified in (b) of this paragraph.

- 2. as regards Finland, to the Finnish systems concerning:
 - (a) old-age, disability and survivor's pensions under the Earnings-Related Pension Scheme;

however, for the purpose of this Agreement, Article 12 shall not apply to the Earnings-Related Pension Scheme specified in (a) of this paragraph; and

(b) the Unemployment Insurance;

however, for the purpose of this Agreement, Articles 5 to 7, Article 11, Articles 14 to 18, Article 23, Article 26 (except paragraph 3) and paragraph 2 of Article 28 shall not apply to the Finnish system specified in (b) of this paragraph.

Article 3 Persons Covered

This Agreement shall apply to a person who is or has been subject to the legislation of a Contracting State, as well as family members or survivors who derive rights from such person.

Article 4 Equality of Treatment

Unless otherwise provided in this Agreement, the persons specified in Article 3, who ordinarily reside in the territory of a Contracting State, shall receive equal treatment with nationals of that Contracting State in the application of the legislation of that Contracting State.

Article 5 Payment of Benefits Abroad

- 1. Unless otherwise provided in this Agreement, any provision of the legislation of a Contracting State which restricts entitlement to or payment of benefits solely because the person ordinarily resides outside the territory of that Contracting State shall not be applicable to persons who ordinarily reside in the territory of the other Contracting State.
- 2. Benefits under the legislation of a Contracting State shall be paid to the persons specified in Article 3, who ordinarily reside in the territory of a third country, under the same conditions as if they were nationals of that Contracting State.
- 3. Payments of benefits under this Agreement may be made in the currency of either Contracting State. In case provisions for restricting the exchange of currencies or remittance are introduced by either Contracting State, the Governments of the Contracting States shall immediately consult on the measures necessary to ensure the payments of benefits by that Contracting State under this Agreement.

PART II PROVISIONS CONCERNING THE APPLICABLE LEGISLATION

Article 6 General Provision

Unless otherwise provided in this Agreement, a person who works as an employee or a self-employed person in the territory of a Contracting State shall, with respect to that employment or self-employment, be subject only to the legislation of that Contracting State.

Article 7 Special Provisions

- 1. Where an employee who is covered under the legislation of a Contracting State and employed in the territory of that Contracting State by an employer with a place of business in that territory is sent by that employer, either from that territory or from a territory of a third country, to work in the territory of the other Contracting State and:
 - (a) does not conclude an employment contract in the territory of that other Contracting State; or
 - (b) concludes an employment contract with an employer with a place of business in the territory of that other Contracting State, but is under the direction of the employer with a place of business in the territory of the first Contracting State,

that employee shall be subject only to the legislation of the first Contracting State, with respect to that employment, as if that employee were working in the territory of the first Contracting State, provided that the period of such detachment is not expected to exceed five years.

2. If the detachment referred to in paragraph 1 of this Article continues beyond five years, the competent authorities or the competent institutions of both Contracting States may agree that the employee remains subject only to the legislation of the first Contracting State.

- 3. Where a person who is covered under the legislation of a Contracting State and who ordinarily works as a self-employed person in the territory of that Contracting State, works temporarily as a self-employed person in the territory of the other Contracting State, that person shall be subject only to the legislation of the first Contracting State as if that person were working in the territory of the first Contracting State, provided that the period of the self-employed activity in the territory of that other Contracting State is not expected to exceed five years.
- 4. If the self-employed activity in the territory of the other Contracting State referred to in paragraph 3 of this Article continues beyond five years, the competent authorities or the competent institutions of both Contracting States may agree that the self-employed person remains subject only to the legislation of the first Contracting State.

Article 8 Employees Working on Board a Sea-Going Vessel or on an Aircraft

- 1. A person who works as an employee on board a sea-going vessel flying the flag of either Contracting State shall, with respect to that employment, be subject only to the legislation of the Contracting State in whose territory the employer is located.
- 2. Where a person works as an employee on an aircraft in international traffic and would otherwise be subject to the legislation of both Contracting States, that person shall, with respect to that employment, be subject only to the legislation of the Contracting State in whose territory the employer is located.

Article 9 Members of Diplomatic Missions, Members of Consular Posts and Civil Servants

- 1. This Agreement shall not affect the provisions of the Vienna Convention on Diplomatic Relations of April 18, 1961, or the Vienna Convention on Consular Relations of April 24, 1963.
- 2. Subject to paragraph 1 of this Article, where any civil servant of a Contracting State or any person treated as such in the legislation of that Contracting State is sent to work in the territory of the other Contracting State, that person shall be subject only to the legislation of the first Contracting State as if that person were working in the territory of the first Contracting State.

Article 10 Exceptions to Articles 6 to 9 and Article 12

At the request of an employee and an employer or a self-employed person, the competent authorities of both Contracting States or the competent institutions designated by those competent authorities may agree to grant an exception to Articles 6 to 9 and Article 12 in the interest of particular persons or categories of persons, provided that such persons or categories of persons shall be subject to the legislation of one of the Contracting States.

Article 11 Spouse and Children

While a person works in the territory of Japan and is subject only to the legislation of Finland in accordance with Article 7, paragraph 2 of Article 9 or Article 10, the spouse or children coming with that person shall be exempted from the legislation of Japan concerning the Japanese pension system specified in paragraph 1(a)(i) of Article 2, provided that the requirements specified in the legislation of Japan concerning the enforcement of the agreements on social security are fulfilled. However, when those spouse or children so request, the foregoing shall not apply.

Article 12 Applicable Legislation regarding the Japanese employment insurance system and the Finnish unemployment insurance system

Notwithstanding the provisions of Article 6 and 7, as regards the Japanese system specified in paragraph 1(b) of Article 2 and the Finnish system specified in paragraph 2(b) of Article 2, the following provisions shall apply:

- 1. Where an employee who is covered under the Japanese system specified in paragraph 1(b) of Article 2 or the Finnish system specified in paragraph 2(b) of Article 2 and employed in the territory of a Contracting State by an employer with a place of business in that territory is sent by that employer, either from that territory or from a territory of a third country, to work in the territory of the other Contracting State and:
 - (a) does not conclude an employment contract in the territory of that other Contracting State; or

(b) concludes an employment contract with an employer with a place of business in the territory of that other Contracting State, but is under the direction of the employer with a place of business in the territory of the first Contracting State,

that employee shall be subject only to the legislation of the first Contracting State, with respect to that employment, as if that employee were working in the territory of the first Contracting State, provided that the period of such detachment is not expected to exceed five years.

2. If the detachment referred to in paragraph 1 of this Article continues beyond five years, the competent authorities or the competent institutions of both Contracting States may agree that the employee remains subject only to the legislation of the first Contracting State.

Article 13 Compulsory Coverage

Articles 6 to 8, paragraph 2 of Article 9, Article 11 and Article 12 shall apply only to compulsory coverage under the legislation of each Contracting State.

PART III PROVISIONS CONCERNING BENEFITS

Chapter 1 Provisions concerning Japanese Benefits

Article 14 Totalization

1. Where a person does not have sufficient periods of coverage to fulfill the requirement for entitlement to Japanese benefits, the competent institution of Japan shall take into account, for the purpose of establishing entitlement to those benefits under this Article, the periods of coverage under the legislation of Finland insofar as they do not coincide with the periods of coverage under the legislation of Japan.

However, the foregoing shall not apply to lump-sum payments under the Japanese pension systems specified in paragraph 1(a) of Article 2 on account of death or withdrawal.

2. In applying paragraph 1 of this Article, the periods of coverage under the legislation of Finland shall be taken into account as periods of coverage under the Employees' Pension Insurance and as corresponding periods of coverage under the National Pension.

Article 15 Special Provisions concerning Disability Benefits and Survivors' Benefits

1. Where the legislation of Japan requires for entitlement to disability benefits or survivors' benefits (except lump-sum payments under the Japanese pension systems specified in paragraph 1(a) of Article 2 on account of death) that the date of the first medical examination or of death lies within specified periods of coverage, this requirement shall be deemed to be fulfilled for the purpose of establishing entitlement to those benefits if such a date lies within the periods of coverage under the legislation of Finland and certified as such by the competent institution of Finland.

However, if entitlement to disability benefits or survivors' benefits (except lump-sum payments under the Japanese pension systems specified in paragraph 1(a) of Article 2 on account of death) under the National Pension is established without applying this Article, this Article shall not be applied for the purpose of establishing entitlement to disability benefits or survivors' benefits (except lump-sum payments under the Japanese pension systems specified in paragraph 1(a) of Article 2 on account of death) based on the same insured event under the Employees' Pension Insurance.

2. Paragraph 1 of Article 5 shall not affect the provisions of the legislation of Japan which require a person who is aged 60 or over but under 65 on the date of the first medical examination or of the death to reside ordinarily in the territory of Japan for the acquisition of entitlement to the Disability Basic Pension or the Survivors' Basic Pension.

Article 16 Calculation of the Amount of Benefits

1. Where entitlement to a Japanese benefit is established by virtue of paragraph 1 of Article 14 or paragraph 1 of Article 15, the competent institution of Japan shall calculate the amount of that benefit in accordance with the legislation of Japan, subject to paragraphs 2 to 4 of this Article.

- 2. With regard to the Disability Basic Pension and other benefits, the amount of which is a fixed sum granted regardless of the period of coverage, if the requirements for receiving such benefits are fulfilled by virtue of paragraph 1 of Article 14 or paragraph 1 of Article 15, the amount to be granted shall be calculated according to the proportion of the sum of the periods of contribution and the premium-exempted periods under the pension system from which such benefits will be paid to the sum of those periods of contribution, those premium-exempted periods and the periods of coverage under the legislation of Finland.
- With regard to disability benefits and survivors' benefits under the Employees' Pension Insurance, insofar as the amount of those benefits to be granted is calculated on the basis of the specified period determined by the legislation of Japan when the periods of coverage under the Employees' Pension Insurance are less than that specified period, if the requirements for receiving such benefits are fulfilled by virtue of paragraph 1 of Article 14 or paragraph 1 of Article 15, the amount to be granted shall be calculated according to the proportion of the periods of coverage under the Employees' Pension Insurance to the sum of the periods of coverage under the Employees' Pension Insurance and the periods of coverage under the legislation of Finland. However, when the sum of the periods of coverage exceeds that specified period, that sum of the periods of coverage shall be regarded as equal to that specified period.
- 4. With regard to the Additional Pension for Spouses which is included in the Old-age Employees' Pension and any other benefits that may be granted as a fixed sum in cases where the periods of coverage under the Employees' Pension Insurance equal or exceed the specified period determined by the legislation of Japan, if the requirements for receiving such benefits are fulfilled by virtue of paragraph 1 of Article 14, the amount to be granted shall be calculated according to the proportion of the periods of coverage under the Employees' Pension Insurance to that specified period.

Article 17 Exception to Article 4

Article 4 shall not affect the provisions on complementary periods for Japanese nationals on the basis of ordinary residence outside the territory of Japan under the legislation of Japan.

Chapter 2 Provisions concerning Finnish Benefits

Article 18 Benefits under Finnish Legislation

- 1. When periods of coverage have been completed under the legislation of both Contracting States, the competent institution of Finland shall, in determining eligibility for benefits under the legislation which it applies, take into account, if necessary, periods of coverage completed under the legislation of Japan, provided that such periods of coverage do not overlap with periods of coverage under its legislation.
- 2. Where the person concerned is entitled to the benefit through the application of paragraph 1 of this Article, the competent institution of Finland shall calculate the amount of the benefit solely and directly on the basis of the periods of coverage completed under the legislation of Finland.
- 3. The competent institution of Finland that grants the benefits referred to in paragraph 2 of this Article shall take exclusively into account the earnings received by the person concerned in its territory.

PART IV MISCELLANEOUS PROVISIONS

Article 19 Administrative Collaboration

- 1. The competent authorities of both Contracting States shall:
 - (a) agree on the administrative measures necessary for the implementation of this Agreement;
 - (b) designate, among the competent institutions, the liaison agencies which may communicate directly to each other in order to facilitate the implementation of this Agreement; and
 - (c) communicate to each other, as soon as possible, all information about changes to their respective legislation insofar as those changes affect the implementation of this Agreement.

2. The competent authorities and competent institutions of both Contracting States, within the scope of their respective authorities, shall provide any assistance necessary for the implementation of this Agreement. This assistance shall be provided free of charge.

Article 20 Charges or Fees and Legalization

- 1. Insofar as the legislation and other relevant laws and regulations of a Contracting State contain provisions on an exemption or reduction of administrative charges or consular fees for documents to be submitted under the legislation of that Contracting State, those provisions shall also apply to documents to be submitted in the application of this Agreement and the legislation of the other Contracting State.
- 2. Documents which are presented for the purpose of this Agreement and the legislation of a Contracting State shall not require legalization or any other similar formality by diplomatic or consular authorities.

Article 21 Communication

- 1. In implementing this Agreement, the competent authorities, competent institutions and liaison agencies of both Contracting States may communicate directly in Japanese, Finnish, Swedish or English language with each other and with any person concerned wherever the person may reside.
- 2. In implementing this Agreement, the competent authorities, competent institutions and liaison agencies of a Contracting State may not reject applications or any other documents for the reason that they are written in Japanese, Finnish, Swedish or English language.

Article 22 Transmission and Confidentiality of Information

1. The competent authorities, competent institutions or liaison agencies of a Contracting State shall, in accordance with its laws and regulations, transmit to the competent authorities, competent institutions or liaison agencies of the other Contracting State information about an individual collected under the legislation of the first Contracting State insofar as that information is necessary for the implementation of this Agreement. Unless otherwise required by the laws and regulations of that other Contracting State, that information shall be used exclusively for the purpose of implementing this Agreement.

- The competent authorities, competent institutions or liaison agencies of a Contracting State may, upon the request of the competent authorities, competent institutions or liaison agencies of the other Contracting State, transmit, in accordance with the laws and regulations of the first Contracting State, other information about an individual than that referred to in paragraph 1 of this Article collected under the legislation of the first Contracting State, to the competent authorities, competent institutions or liaison agencies of that other Contracting State insofar as it is necessary for the implementation of the legislation of that other Contracting State. Unless otherwise required by the laws and regulations of that other Contracting State, that information shall be used exclusively for the purpose of implementing that legislation of that other Contracting State.
- 3. Information referred to in paragraphs 1 and 2 of this Article received by a Contracting State shall be governed by the laws and regulations of that Contracting State for the protection of confidentiality of personal data and the following provisions:
 - the transmitting competent authorities, competent (a) institutions or liaison agencies shall ensure that personal data to be transmitted are accurate, relevant and limited to what is necessary in relation to the purposes for which they are transmitted. In case of transmission of inaccurate data or data whose transmission is incompatible with the laws and regulations of the transmitting Contracting State, the transmitting competent authorities, competent institutions or liaison agencies shall immediately notify the receiving competent authorities, competent institutions or liaison agencies of this fact. The receiving competent authorities, competent institutions or liaison agencies shall correct or delete this data without delay;
 - (b) both the transmitting and the receiving competent authorities, competent institutions or liaison agencies shall protect personal data effectively against unauthorized or unlawful access, disclosure or alteration;

- (c) transmitted personal data shall be deleted by the receiving competent authorities, competent institutions or liaison agencies in accordance with the laws and regulations of the receiving Contracting State if they are no longer required for the purpose for which they were transmitted;
- (d) in case of the infringement of the rights related to the personal data protection, appropriate remedial measures shall be taken in accordance with the laws and regulations of each Contracting State; and
- (e) upon request of the person concerned:
 - (i) the transmitting competent authorities, competent institutions or liaison agencies shall correct the inaccurate data in accordance with the laws and regulations of the transmitting Contracting State, and inform the receiving competent authorities, competent institutions or liaison agencies of that correction without delay; and
 - (ii) the receiving competent authorities, competent institutions or liaison agencies shall suspend the processing of the data in accordance with the laws and regulations of the receiving Contracting State, and inform the transmitting competent authorities, competent institutions or liaison agencies of that suspension without delay.

Article 23

Submission of Applications, Appeals and Declarations

1. When a written application for benefits, an appeal or any other declaration under the legislation of a Contracting State is submitted to a competent authority, competent institution or liaison agency of the other Contracting State which is competent to receive similar applications, appeals or declarations under the legislation of that other Contracting State, that application for benefits, appeal or declaration shall be deemed to be submitted on the same date to the competent authority, competent institution or liaison agency of the first Contracting State and shall be dealt with, according to the procedure and legislation of the first Contracting State.

- 2. The competent authority, competent institution or liaison agency of a Contracting State shall send the application for benefits, appeal or any other declaration submitted in accordance with paragraph 1 of this Article to the competent authority, competent institution or liaison agency of the other Contracting State without delay.
- 3. An increased amount for delay in the payment of benefits under the legislation of Finland shall be calculated from the date when the competent institution or liaison agency of Finland receives the written application for benefits.

Article 24 Resolution of Disagreement

Any disagreement regarding the interpretation or application of this Agreement shall be resolved by consultation between the Contracting States.

Article 25 Headings

The headings of Parts, Chapters and Articles of this Agreement are inserted for convenience of reference only and shall not affect the interpretation of this Agreement.

PART V TRANSITIONAL AND FINAL PROVISIONS

Article 26

Events and Decisions prior to the Entry into Force

- 1. This Agreement shall not establish any entitlement to benefits for any period prior to its entry into force.
- 2. In the implementation of this Agreement, periods of coverage completed before its entry into force as well as other legally relevant events occurring before its entry into force shall also be taken into account.
- 3. In applying paragraph 1 or 3 of Article 7 or paragraph 1 of Article 12, in the case of a person who has been working in the territory of a Contracting State prior to the entry into force of this Agreement, the periods of detachment or self-employed activity referred to in paragraph 1 or 3 of Article 7 or paragraph 1 of Article 12 shall be considered to begin on the date of entry into force of this Agreement.
- 4. Decisions made before the entry into force of this Agreement shall not affect any rights to be established by virtue of this Agreement.

5. The application of this Agreement shall not, for a beneficiary, result in any reduction in the amount of benefits to which entitlement was established before the entry into force of this Agreement.

Article 27 Entry into Force

This Agreement shall enter into force on the first day of the third month following the month in which the Contracting States shall have completed an exchange of diplomatic notes informing each other that their respective constitutional requirements necessary for the entry into force of this Agreement have been fulfilled.

Article 28 Duration and Termination

- 1. This Agreement shall remain in force for an indefinite period. Either Contracting State may give to the other Contracting State, through diplomatic channels, written notice of termination of this Agreement. In that event, this Agreement shall remain in force until the last day of the twelfth month following the month in which the termination was notified.
- 2. If this Agreement is terminated in accordance with paragraph 1 of this Article, rights regarding entitlement to and payment of benefits acquired under this Agreement shall be retained.

In witness whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at Helsinki on 23 September, 2019 in duplicate in the English language.

For Japan: For the Republic of Finland:

村田隆 Aino-Kaisa Pekonen