

No. 5016

**CZECHOSLOVAKIA
and
HUNGARY**

**Agreement concerning co-operation in the field of social
policy. Signed at Budapest, on 30 January 1959**

Official texts: Slovak and Hungarian.

Registered by Czechoslovakia on 18 February 1960.

**TCHÉCOSLOVAQUIE
et
HONGRIE**

**Accord relatif à la coopération en matière de politique
sociale. Signé à Budapest, le 30 janvier 1959**

Textes officiels slovaque et hongrois.

Enregistré par la Tchécoslovaquie le 18 février 1960.

[TRANSLATION — TRADUCTION]

No. 5016. AGREEMENT¹ BETWEEN THE CZECHOSLOVAK REPUBLIC AND THE HUNGARIAN PEOPLE'S REPUBLIC CONCERNING CO-OPERATION IN THE FIELD OF SOCIAL POLICY. SIGNED AT BUDAPEST, ON 30 JANUARY 1959

The President of the Czechoslovak Republic and the Presidential Council of the Hungarian People's Republic,

Desiring to intensify and develop further the co-operation between them in matters of social policy in the spirit of the friendly relations between the two States, have decided to conclude this Agreement and have for this purpose appointed as their plenipotentiaries :

The President of the Czechoslovak Republic :

Evžen Erban, Chairman of the State Social Security Institute;

The Presidential Council of the Hungarian People's Republic :

Odön Kisházi, Minister of Labour,

who, having exchanged their full powers, found in good and due form, have agreed as follows :

I. PRINCIPLES OF CO-OPERATION

Article 1

The Contracting Parties shall co-operate in the field of social policy and, within that field, in matters of social security (insurance) in order to promote social progress in the two States and internationally. To this end :

(a) The competent authorities of the two Contracting Parties shall communicate to each other their legal provisions concerning social policy and, especially, concerning social security (insurance);

(b) They shall furnish each other with statistical data relevant to the theoretical study of questions of social policy and social security (insurance);

(c) They shall promote the exchange of experience and of visits between the authorities and organizations dealing with questions of social policy and social security (insurance);

¹ Came into force on 1 December 1959, the first day of the month following the exchange of the instruments of ratification which took place at Prague on 6 November 1959, in accordance with article 35.

(d) They shall promote reciprocal holiday arrangements for children, young people and workers, organized by the competent authorities;

(e) They shall co-operate in tasks of international social service affecting nationals of the Contracting Parties and in providing documents, communicating data, and the like;

(f) They shall ensure, in accordance with the provisions of this Agreement, that the claims of workers and members of their families under the social security (insurance) system are satisfied.

Article 2

Save as otherwise provided in this Agreement, nationals of either Contracting Party, who are working or residing in the territory of the other Contracting Party, and members of their families shall be accorded, as regards labour legislation, social security (insurance) and other social services and family allowances, equal treatment with nationals of the latter Party; they shall have the same rights and obligations as such nationals.

II. SOCIAL SECURITY (INSURANCE)

Chapter 1

GENERAL PROVISIONS

Article 3

1. This Agreement shall apply to the following branches of social security (insurance) as regulated by the legal provisions of the Contracting Parties :

(a) Sickness and maternity insurance;

(b) Security (insurance) against old age, invalidity and death, including security (insurance) against industrial accident and disease (hereinafter referred to as "pension insurance").

2. The provisions of this Agreement shall not, however, apply to the social security of regular members of the armed forces.

Article 4

1. In the implementation of this Agreement the legal provisions concerning social security (insurance) of the Contracting Party in whose territory the worker performs the activity insurable under its social security (insurance) system shall be applied.

2. The following exceptions shall be made to the provisions of paragraph 1 of this article :

(a) Employees of an undertaking having its head office in the territory of one Contracting Party who have been sent to work temporarily in the territory of the other Contracting Party shall continue to be subject to the legal provisions concerning social security (insurance) of the Contracting Party in whose territory the head office of the undertaking is situated.

(b) Employees of transport undertakings, including air and water transport and postal employees, and employees of the authorities controlling communications between the two States shall be subject to the legal provisions concerning social security (insurance) of the Contracting Party in whose territory the head office of the undertaking or authority employing them is situated.

3. Non-working pensioners shall be subject to the legal provisions concerning sickness and maternity insurance of the Contracting Party whose competent authority grants them a pension; if a pensioner draws a pension from the competent authorities of both Contracting Parties, he shall be governed solely by the legal provisions concerning sickness and maternity insurance of the Contracting Party in whose territory he is permanently resident.

Article 5

1. If a national of either Contracting Party is employed by a diplomatic or consular mission of that Party or by the head, members or other employees of such mission, he shall be governed by the legal provisions concerning social security (insurance) of the Contracting Party which maintains the said mission in the territory of the other Contracting Party unless he is permanently resident in the territory in which the said mission functions.

2. If a person employed by a diplomatic or consular mission or by the head, members or other employees thereof is not a national of the Contracting Party which maintains the said mission, or being a national of the said Party is permanently resident in the territory in which the said mission functions, the provisions of article 4, paragraph 1, shall apply.

Article 6

The competent central authorities of the Contracting Parties may agree to depart from the provisions of articles 4 and 5 in administering the social security (insurance) of individual, expressly defined groups of workers and pensioners.

Article 7

1. In establishing the right to social security (insurance) benefits and in determining the rates thereof, employment (insurance) periods and equivalent periods completed in the territory of both Contracting Parties shall be taken into account.

2. The provisions of paragraph 1 shall not apply to the establishment of the right to benefits which are provided under the legal provisions of only one Contracting Party.

3. If an employment (compulsory insurance) period completed under the legal provisions of one Contracting Party coincides with a period of voluntary insurance under the legal provisions of the other Contracting Party, only the employment (compulsory insurance) period shall be taken into account. If an employment (insurance) period completed under the legal provisions of one Contracting Party coincides with an equivalent period under the legal provisions of the other Contracting Party, only the employment (insurance) period shall be taken into account.

4. The claims which a national of one Contracting Party is entitled to file, and the benefits which he is entitled to draw, under the social security system of that Contracting Party in virtue of employment periods and equivalent periods completed in the territory of a third State shall not be filed or drawn by a national of the other Party.

Article 8

1. If the legal provisions of either Contracting Party make the acquisition, maintenance and recovery of the right to benefit or the rate of benefit conditional upon residence in that Party's territory, residence in the territory of the other Contracting Party shall be deemed equivalent to residence in the territory of the first Party.

2. The provisions of paragraph 1 shall also apply to the payment of pension insurance benefits or other cash benefits if the entitled person emigrates to the territory of the other Contracting Party.

3. The competent authority of either Contracting Party shall pay to nationals of the other Contracting Party who are staying in a third State the social security (insurance) benefits to which it recognizes their claim, under the same conditions as to its own nationals.

Article 9

The legal provisions of either Contracting Party under which the award or payment of social security (insurance) benefits is subject to limitation or suspen-

sion shall also apply where the circumstances which warrant such limitation or suspension of the payment of benefit have arisen in the territory of the other Contracting Party.

Chapter 2

SICKNESS AND MATERNITY INSURANCE

Article 10

1. Cash benefits under sickness and maternity insurance shall be granted, in accordance with its own legal provisions and at its own expense, by the social security (insurance) authority with which the entitled person is insured at the time of acquisition of the right to such benefits, or with which he was last insured.

2. If the entitled person is staying in the territory of the other Contracting Party at the time when he becomes entitled to benefit under the preceding paragraph, the social security (insurance) authority responsible for granting the benefit may entrust the payment of benefit to the social security (insurance) authority of that other Contracting Party. The social security (insurance) authority responsible for granting the benefit shall refund any payments so made.

Article 11

1. Benefits in kind under sickness and maternity insurance (preventive medical care and treatment) shall be granted to persons who are permanently resident in the territory of one Contracting Party, and who work in the territory of the other Contracting Party, primarily by the authority competent in virtue of their place of residence and, in case of necessity, by the authority competent in virtue of their place of employment. Benefits in kind under sickness and maternity insurance (preventive medical care and treatment) shall be granted to members of the families of such persons by the authority competent in virtue of their place of residence.

2. In urgent cases, essential medical treatment shall be granted to nationals of one Contracting Party who are temporarily resident in the territory of the other Contracting Party by the competent authority of the latter Contracting Party. The said authority shall, at the request of the competent authority, also grant medical treatment additional to that described above.

3. Benefits in kind under sickness and maternity insurance (preventive medical care and treatment) shall be granted to non-working pensioners, including the persons referred to in article 14, and to members of their families by the authority competent in virtue of their place of residence.

4. The conditions and procedure for the grant of benefits in kind (preventive medical care and treatment) under the provisions of this article shall be regulated by a special agreement between the central authorities of the Contracting Parties appointed under article 30. The said agreement shall also regulate reimbursement of the cost of institutional care (hospital, sanatorium and spa treatment) and of the most expensive medicaments.

Chapter 3

PENSION INSURANCE

Article 12

1. The competent authorities of the Contracting Parties shall establish the right to pension security benefits in accordance with the legal provisions applicable by them, taking into account the provisions of article 7; if the entitled person satisfies all the conditions for benefit, they shall compute the benefit having regard to the length of the employment (insurance) period completed in the two territories. The competent authority of each Contracting Party shall be responsible for paying to the entitled person that proportion of the benefit which corresponds to the employment (insurance) period completed in its territory.

2. If, even when the period completed in the territory of both Contracting Parties is taken into account, the entitled person satisfies the conditions for benefit as prescribed by the legal provisions of only one Contracting Party, the competent authority of that Contracting Party shall grant to the entitled person that portion of the benefit for which it is responsible under paragraph 1. If the applicant subsequently satisfies the conditions for benefit under the legal provisions of the other Contracting Party, the rate of pension insurance benefit shall be determined afresh in accordance with the provisions of paragraph 1.

3. If the sum of the partial benefits which the competent authorities of both Contracting Parties are required to pay under the provisions of paragraph 1 is less than the minimum pension insurance benefit prescribed by the legal provisions of the Contracting Party competent in virtue of the entitled person's place of residence, the said person shall be entitled to an increment in the amount of the difference. Such increment shall be paid to the entitled person by the authority competent in virtue of his place of residence.

4. If the sum of the partial benefits which the competent authorities of both Contracting Parties are required to pay under the provisions of paragraph 1, or the portion of the benefit prescribed under paragraph 2, is less than that

portion which would accrue to the entitled person under the legal provisions of one Contracting Party solely in virtue of the employment (insurance) period completed in the territory of that Contracting Party, the competent authority of that Contracting Party shall increase to the last-mentioned amount the portion of the pension which it pays.

5. If, under the legal provisions applicable by the competent authority which calculates the insured period under paragraph 1, certain privileges accrue to the entitled person in respect of a period spent in employment dangerous to health or in employment carried on under arduous conditions, a period spent in such employment in the territory of the other Contracting Party shall also be recognized as a privileged period.

6. If the employment (insurance) period completed under the legal provisions of one Contracting Party is less than six months, the competent authority of that Contracting Party shall recognize no claim. The competent authority of the other Contracting Party shall not, for that reason, reduce the benefit which it pays.

Article 13

If the recipient of a pension completes a further employment (insurance) period under the competent authority of either Contracting Party and applies for the adjustment of the benefit to take such period into account, the procedure prescribed in article 12 shall be repeated.

Article 14

1. Benefits under the pension insurance of military invalids and war disabled persons and of victims of the wars for liberation and of fascist persecution, special pensions for extraordinary services and social pensions paid on the basis of need shall be awarded and paid by the competent authorities of the Contracting Parties in accordance with the legal provisions applicable by them.

2. Where pensions or other cash benefits based on membership in pension funds or on arrangements of like nature connected with employment are or were granted in either Contracting State outside the general social security (insurance) system, such benefits shall be awarded and paid by the competent authority of that Contracting Party in accordance with the legal provisions applicable by it.

Article 15

1. Benefits in respect of industrial accident or disease shall be payable, in accordance with the legal provisions applicable by it and taking into account the

employment (insurance) periods completed in the territory of both Contracting Parties, by the competent authority of the Contracting Party whose legal provisions concerning social security (insurance) applied to the entitled person at the time when he sustained the industrial accident or contracted the industrial disease. If the insured person has worked in the territory of both Contracting Parties in employment entailing a risk of exposure to the industrial disease in question, the benefit shall be payable by the competent authority of the Contracting Party whose legal provisions concerning social security (insurance) applied to the entitled person at the time when he last worked in such employment.

2. If a worker whose working capacity has been reduced by an industrial accident or disease suffers a further loss of working capacity through another industrial accident or disease, benefit shall be payable, taking into account the total reduction in working capacity, by the competent authority of the Contracting Party whose legal provisions concerning social security (insurance) applied to the entitled person at the time of such further reduction in working capacity. If the pension which would accrue in this manner would be less in amount than the pension previously awarded, the previous pension shall continue to be paid.

3. If, through deterioration in health, there is a further loss of working capacity already reduced by industrial accident or disease even though no further industrial accident has been sustained or disease contracted, the authority which pays the pension shall adjust the rate thereof even if, at the time when the deterioration in health began, the entitled person was governed by the legal provisions concerning social security (insurance) of the other Contracting Party.

Article 16

The competent central authorities of the Contracting Parties may agree that the decision of the competent authority of either Contracting Party regarding invalidity (reduced working capacity) and the degree thereof shall also be valid for the competent authority of the other Contracting Party.

Article 17

If pension insurance benefits are computed from the average wage earned during a specified employment (insurance) period, the average wage shall be calculated, in accordance with the legal provisions of the Contracting Party whose authority awards the benefit, from the wages earned during the qualifying period in the territory of both Contracting Parties.

III. FAMILY ALLOWANCES

Article 18

1. Family allowances shall be granted in accordance with its own legal provisions and at its own expense by the competent authority of the Contracting Party in whose territory the child of the entitled person resides.

2. If the child in respect of whom the family allowances are payable emigrates to the territory of the other Contracting Party, the payment of family allowances shall cease with effect from the first day of the month following the date of emigration and the competent authority of that other Contracting Party shall grant family allowances in accordance with its own legal provisions and at its own expense.

3. Family allowances in respect of the children of employees who reside in the frontier territory of one State and work in the frontier territory of the other State shall be granted in accordance with its own legal provisions and at its own expense by the competent authority of the Contracting Party in whose territory the employee works.

4. In deciding upon the award of family allowances and determining the rate thereof, the competent authority shall take into account wages and income received and property owned in the territory of both Contracting Parties.

IV. SOCIAL WELFARE

Article 19

1. Social care and assistance (material relief, housing accommodation, etc.) shall be provided for nationals of either Contracting Party who are permanently resident in the territory of the other Contracting Party by the competent authority of the latter Contracting Party under the same conditions and in the same measure as for its own nationals.

2. The Contracting Parties shall not require from each other reimbursement of the cost of social care provided under paragraph 1. Reimbursement of such cost may, however, be required from the persons for whom care was provided or from members of their families responsible for their maintenance.

V. GENERAL PROVISIONS

Article 20

1. The social security (insurance) authorities and other competent authorities of the two Contracting Parties shall render each other assistance in implementing this Agreement to the same extent as if the matter were one affecting the application of their own legal provisions concerning social policy.

2. Applications for benefits and other submissions (legal instruments, etc.) may be filed with the competent authority of either Contracting Party. An application filed with the competent authority of one Contracting Party shall be deemed to have been filed simultaneously with the other Party.

3. If a medical examination of a participant staying in the territory of the other Contracting Party, confirmation that he is living, the provision of further particulars or clarification of the circumstances is required for the purpose of giving effect to or assessing claims under this Agreement or of paying benefits, the authority competent in virtue of the place of residence shall carry out the investigation at the request of the authority responsible for determining or paying the benefit and shall communicate to the requesting authority the results of the investigation or the particulars ascertained.

4. At the request of the social security (insurance) authority of either Contracting Party, a social security (insurance) authority of the other Contracting Party shall act as agent for the purpose of executing and recovering claims arising out of the legal provisions concerning social security (insurance) which the requesting authority wishes to enforce against any individual or body corporate whose residence or head office is situated in the territory of the other Contracting Party.

5. The Contracting Parties shall not present to each other claims for reimbursement of the cost of action taken or services rendered under this article.

Article 21

Correspondence between the competent authorities and communication with interested parties in connexion with the Agreement may be carried on in any official language of the Contracting Parties.

Article 22

In order to facilitate the implementation of this Agreement, the competent central authorities of each of the Contracting Parties shall appoint in their own territory authorities to adjudicate claims for benefits transmitted by the competent authorities of the other Contracting Party or to communicate particulars and furnish certificates and documents required in connexion with the establishment of the right to benefits or with the payment thereof.

Article 23

The diplomatic and consular missions of either Contracting Party shall be entitled, without special authorization, to represent the nationals of their State,

failing the appointment of any other representative, in all matters arising out of this Agreement and connected with its application, and to act on their behalf before the departments, social security (insurance) authorities and other authorities of the other Contracting Party.

Article 24

Any dispute arising in the application of this Agreement shall be settled by the competent central authorities of the two Contracting Parties by agreement arrived at by correspondence or in an expert commission established on the basis of parity.

Article 25

1. If the claim of an entitled person to pension insurance or other benefits is not in dispute but there is disagreement as to which social security (insurance) authority is responsible for awarding such benefits, or as to the proportion in which a competent authority is liable for the payment thereof, a sum shall be payable in advance to the entitled person pending the settlement of the dispute in accordance with article 24. An advance payment in the amount of such part of the benefit as can be determined shall be fixed and paid, in accordance with the provisions applicable by it, by the competent social security (insurance) authority of the Contracting Party in whose territory the entitled person resides.

2. The social security (insurance) authority of the other Contracting Party shall reimburse the authority making an advance payment under paragraph 1, in the proportion in which it is rendered liable for the payment of benefit by a decision made pursuant to article 24.

3. If the advance payment is greater than the benefit due from the social security (insurance) authorities of both Contracting Parties, the said authorities may deduct the amount paid in excess from the portions of the benefit payable by them. The total amount of such deductions shall not exceed 20 per cent of the portions payable.

Article 26

The social security (insurance) authority of either Contracting Party may authorize the authority of the other Contracting Party to make, on its behalf, a specified advance payment of benefit to an entitled person who is staying in the territory of that other Contracting Party and to whom pension insurance or other cash benefits are payable by the social security (insurance) authority of the authorizing Contracting Party.

Article 27

Applications, papers and certificates required for the exercise of rights under this Agreement shall be exempt from all fees. Such documents shall not require legalization by diplomatic or consular authorities.

Article 28

Transfers of cash to the territory of the other Contracting Party in connexion with the application of this Agreement shall be governed by the provisions of the agreement concerning non-commercial payments in force between the Contracting Parties at the time of transfer.

Article 29

1. The measures necessary to give effect to this Agreement shall be taken by the competent central authorities of the two Contracting Parties. The said authorities shall communicate to each other all such implementing provisions.

2. The central authorities referred to in paragraph 1 shall maintain constant direct communication and shall, as necessary, arrange meetings of their representatives for the purpose of discussing individual questions connected with the application of the Agreement and of organizing the exchange of experience in the field of social policy. Such meetings of representatives of the competent central authorities of the two Contracting Parties shall be held alternately in the territory of each of the Contracting Parties.

Article 30

The two Contracting Parties shall, upon the entry into force of this Agreement, inform each other which central authorities are competent to give effect to the Agreement and shall without delay notify each other of any changes that may occur in this regard in the future.

Article 31

This Agreement shall also apply to any legal provisions whereby the Contracting Parties may in the future amend or supplement the legal provisions relating to matters regulated by this Agreement.

Article 32

The two Contracting Parties shall apply this Agreement in close co-operation with the trade-union organizations.

VI. TRANSITIONAL AND FINAL PROVISIONS

Article 33

1. The provisions of this Agreement shall also apply to pension insurance benefits to which a claim was established before its entry into force.

2. In the application of this Agreement, employment (insurance) periods and equivalent periods completed before its entry into force shall also be taken into account.

Article 34

1. Employment (insurance) periods and equivalent periods—including periods on which the benefits referred to in article 14, paragraph 2, are based—completed before the date of signature of the Agreement shall be treated as periods completed in accordance with the legal provisions of the Contracting Party in whose territory the person entitled to claim pension insurance benefits was permanently resident on the date of signature.

2. Pension insurance benefits—including the benefits referred to in article 14, paragraph 2—to which a claim was established before the date of signature of the Agreement shall be determined and paid, under the conditions and at the rate laid down in the legal provisions applicable by it, by the social security (insurance) authority of the Contracting Party in whose territory the entitled person was permanently resident on the date of signature. This shall apply even if the social security (insurance) authority of the other Contracting Party awarded a benefit to the entitled person before the entry into force of the Agreement. If a pension was awarded and paid before the entry into force of the Agreement by the authority which is competent under the Agreement, it shall continue to be paid without change.

3. Within one month after the entry into force of this Agreement the two Contracting Parties shall deliver to each other lists of the pensions, awarded and paid into the other State before the entry into force of the Agreement, which the authority competent in virtue of the pensioner's place of residence must pay in accordance with the provisions of paragraph 2. If the previous pension shown in the list is greater than the pension which would accrue to the entitled person under the provisions of this Agreement, the Contracting Party taking over responsibility shall continue to pay the pension at the previous rate.

4. The Contracting Parties shall not require from each other any payment for the calculation of employment (insurance) periods or for the computation and payment of pensions under the provisions of this article.

Article 35

1. This Agreement shall be subject to ratification. The exchange of the instruments of ratification shall take place at Prague as soon as possible. The Agreement shall enter into force on the first day of the month following the exchange of the instruments of ratification.

2. The Agreement shall remain in force for five years from the date of entry into force and shall be extended for successive terms of five years unless it is denounced by either Contracting Party not later than one year before the expiry of the current term.

3. If the Agreement is denounced, its provisions shall remain in force as regards pension insurance benefits awarded before the date of its expiry; the same shall apply to the provisions of article 34.

Article 36

This Agreement was done in two original copies, each in the Slovak and Hungarian languages, both texts being equally authentic.

IN WITNESS WHEREOF the plenipotentiaries appointed for this purpose have signed this Agreement and have thereto affixed their seals.

DONE at Budapest, on 30 January 1959.

For the President
of the Czechoslovak Republic :
E. ERBAN

For the Presidential Council
of the Hungarian People's Republic :
KISHÁZI Odön