

No. 10124

**UNITED STATES OF AMERICA
and
PHILIPPINES**

Exchange of notes constituting an agreement to secure social security benefits for Philippine citizen civilian employees of the Agency for International Development Mission to the Philippines (with annex). Manila, 12 November 1964 and 10 March 1965

Authentic text: English.

Registered by the United States of America on 5 January 1970.

**ÉTATS-UNIS D'AMÉRIQUE
et
PHILIPPINES**

Échange de notes constituant un accord visant à assurer les prestations de la sécurité sociale aux ressortissants philippins civils employés par la Mission de l'Agency for International Development aux Philippines (avec annexe). Manille, 12 novembre 1964 et 10 mars 1965

Texte authentique: anglais.

Enregistré par les États-Unis d'Amérique le 5 janvier 1970.

EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND
THE PHILIPPINES TO SECURE SOCIAL SECURITY
BENEFITS FOR PHILIPPINE CITIZEN CIVILIAN EM-
PLOYEES OF THE AGENCY FOR INTERNATIONAL
DEVELOPMENT MISSION TO THE PHILIPPINES

I

No. 355

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs of the Republic of the Philippines and has the honor to propose that the United States participate on a voluntary basis in the Social Security System of the Government of the Philippines (hereinafter called the "System") insofar as the System provides for old age retirement, permanent disability, sickness and death benefits, in order to secure social security benefits for Philippine citizen civilian employees of the Agency of International Development Mission to the Philippines (USAID) presently without a retirement pension program.

Sections 11 through 21, inclusive, and Sections 22 (a), 23 and 24 (a) of the System and of the rules, regulations and procedures of the System which describe the duties of the employer participating in the programs enumerated above shall be applicable to USAID.

The employees covered into the System shall have the same benefits and protections and be subject to the same obligations and penalties under the System as if they were in private employment.

If the foregoing proposal and the Annex attached hereto are acceptable to the Government of the Philippines, this note and the Government of the Philippines reply thereto indicating such acceptance shall be considered to constitute the agreement of the Governments of the United States of America and the Republic of the Philippines concerning this matter.

The Embassy avails itself of this opportunity to renew to the Department of Foreign Affairs the assurances of its highest consideration.

Enclosure :

Annex.

Embassy of the United States of America
Manila, November 12, 1964

¹ Came into force on 10 March 1965 by the exchange of the said notes.

ANNEX

The United States Government proposes to the Philippine Government the following understandings between them to implement participation in the Philippine Social Security System by the Agency for International Development Mission to the Philippines (USAID) for the benefit of their Philippine citizen civilian employees.

USAID shall make deductions from covered employees' wages of the employee contributions required by the System and shall remit them to the System together with the corresponding employer contributions.

In carrying out the provisions of the Philippine Social Security Act which authorize the System to reimburse the employer for overpayments or other amounts which become due to the employer from the System (for example, reimbursing the employer for payment of sickness benefits under the System) the Agency for International Development will accept such reimbursement in the form of credit offsets to their current remittances to the System.

All fiscal transactions between USAID and the System and with covered employees shall be in terms of the Philippine peso.

The United States Government will provide appropriate self-audit and self-inspection in lieu of external audit or inspection except as may be otherwise agreed as an administrative arrangement.

Nothing in this agreement is to be construed as altering the privileges and immunities provided under generally accepted principles of international law or in the treaties and agreements between the two Governments, nor construed to subject the United States or its agencies, solely because of participation in the System, to any civil, administrative or penal action provided for by the System or by any other law.

All Philippine citizen employees of USAID who would otherwise be eligible for coverage under the System and who are not eligible for participation in the U.S. Civil Service Retirement program, will be considered to be included within the terms of this Annex.

Administrative arrangements for the further implementation of this agreement, including the date for commencing participation in the System, shall be concluded between the Philippine Social Security Commission and the Executive Officer of USAID.

II

Manila, March 10, 1965

No. 26017

The Department of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to refer further to the Embassy's note No. 355 dated November 12, 1964, and the Annex attached thereto, the texts of which are quoted as follows :

[*See note I*]

The Department has the honor to inform the Embassy that the proposals set forth in the aforementioned note No. 355 dated November 12, 1964, together with the Annex attached thereto, are acceptable to the Government of the Republic of the Philippines, and that it is the understanding of the Department that the Embassy's note under reference, together with its Annex, and this reply thereto shall constitute the Agreement of the Governments of the Republic of the Philippines and the United States of America concerning the matter.

The Executive Officer of USAID may deal directly with the Philippine Social Security Commission on the administrative arrangements to be concluded for the further implementation of this agreement, including the date for commencing participation in the System.

The Department avails itself of this opportunity to renew to the Embassy the assurances of its highest consideration.
