

## 日オランダ社会保障協定の発効

### オランダ社会保険銀行（SVB）からの概要説明

## **The Japanese-Dutch Agreement on Social Security**

### **How does the agreement affect you and your employees?**

#### **Introduction**

The Japanese-Dutch Agreement on Social Security will enter into force on 1 March 2009. The Agreement determines the country in which employees posted to the Netherlands by their employer are to be insured with regard to disability for work, old age, death and medical expenses.

As from the effective date of the Agreement, a Japanese employee working temporarily in the Netherlands will be insured exclusively in Japan. This will apply equally to all Japanese employees, whether posted before or after 1 March 2009.

According to our information, you have Japanese people in your employ who have been posted to the Netherlands from Japan. As from 1 March 2009, as a result of the Agreement, a number of changes will affect you and the Japanese employees who are currently already working for you in the Netherlands. The purpose of this article is to inform you about these changes.

For the rest of this article, Japanese employees posted to the Netherlands will be referred to as 'employees'.

This information is provided by the Sociale Verzekeringsbank (SVB) and the Uitvoeringsinstituut Werknemersverzekeringen (UWV, Dutch Institute for Employee Benefit Schemes). These are the organisations which implement the Dutch social insurance schemes. The SVB is responsible for national insurance schemes, such as old age pension, survivor benefit and child benefit, which apply to all people resident in the Netherlands. The UWV implements industrial insurance schemes, which provide employees with cover against unemployment, sickness and incapacity for work.

#### **The situation up until 1 March 2009**

Up until 1 March 2009, your employees in the Netherlands will be covered under Dutch social insurance. This also applies to any of their family members living in the Netherlands, allowing them to accrue pension rights, receive child benefit and be insured against sickness or the costs of health care in the Netherlands. You deduct social insurance contributions from your employee's salaries which you pass on to the Dutch Tax Administration (Belastingdienst).

#### **The situation after 1 March 2009**

After 1 March 2009, your employees will be insured in Japan only. As proof that they are subject to Japanese social security legislation, they will need a posting certificate. This means they will no longer be subject to Dutch social security legislation and neither will

their family members who are living, but not working, in the Netherlands. If a family member works in the Netherlands, however, he or she will remain covered under Dutch insurance.

As from 1 March 2009, you do not have to deduct Dutch social insurance contributions from the salaries of employees with posting certificates.

Below, you will find an explanation, for each insurance scheme, of how your employees will be affected by no longer being covered by Dutch insurance. For the sake of convenience, we have taken 1 March 2009 as our starting point, as this is the date that the Agreement will enter into force. However, if the posting certificate has a later effective date, the later date will apply instead of 1 March 2009.

- National insurance system

Dutch old age pension (AOW pension)

Your employees will stop building up entitlement to Dutch old age pension (AOW) as from 1 March 2009. For example, an employee who has, on 1 March 2009, already been working in the Netherlands for four years will be entitled to 8% of the full AOW pension. For each year of insurance a person is entitled to 2% of the full AOW pension. When the employee reaches the age of 65, the SVB will start to pay the amount of pension to which the employee is entitled, regardless of whether he or she lives in the Netherlands or Japan. If you want employees to know how much AOW pension they will be entitled to on leaving the Netherlands, they can apply for a statement of their insurance record at [www.svb.nl](http://www.svb.nl).

As from 1 March 2009, employees who want to increase their entitlement to AOW pension can take out voluntary insurance under the AOW scheme. More information about this is available at [www.svb.nl](http://www.svb.nl).

Dutch survivor benefit

If an employee passes away on or after 1 March 2009, the surviving partner will no longer be entitled to a Dutch survivor benefit (Anw). If any of your employees wish to remain entitled to survivor benefit, they can take out voluntary insurance. More information on this is available at [www.svb.nl](http://www.svb.nl).

Dutch child benefit

Entitlement to Dutch child benefit (AKW) will end on 1 April 2009. Employees will receive child benefit for the first quarter of 2009 in April.

Exceptional medical expenses

As from 1 March 2009, the costs of long-term care, such as nursing care, will no longer be reimbursed.

- Industrial insurance

Unemployment

As from 1 March 2009, your employees will no longer be entitled to unemployment benefit.

#### Illness

As from 1 March 2009, your employees will no longer be entitled to sickness benefit.

#### Dutch incapacity benefit (WIA benefit)

As from 1 March 2009, your employees will no longer be able to claim Dutch incapacity benefit. Because your employees will already have been working in the Netherlands before 1 March 2009, they will be entitled to a partial Dutch incapacity benefit for that period after they return to Japan.

- Health insurance

Medical expenses incurred after 1 March 2009 will no longer be reimbursed. Employees are free to take out private health insurance to have their medical expenses reimbursed.

#### **When and where can you apply for a posting certificate?**

For employees already working in the Netherlands on 1 March 2009, you can apply for a posting certificate to start from 1 March 2009. On that date, the posting period will begin and continue up to a maximum of five years.

We advise you to apply for a posting certificate as soon as possible. This will ensure that your employees do not find themselves in a situation where they have to repay benefits, such as child benefit or reimbursements for medical expenses, paid after 1 March 2009. They would otherwise be obliged to do so because they will no longer be insured in the Netherlands after 1 March 2009.

You can apply to the competent Japanese social security institution for a posting certificate.

#### **What must employees do with the posting certificates?**

The original posting certificates must remain with your employees. As employer, you must keep copies of the certificates so that, in the event of an inspection, you can show that no contributions are due in the Netherlands.

#### **Further information**

Further information on the Agreement will be given in a seminar to be held at the SVB office in Amstelveen on 3 February 2009. During the seminar, you will also have the opportunity to put questions to experts. As a member of JCC, you will have already received an invitation to the seminar.