

Social security agreement signed between India and the Netherlands

The long-awaited Bilateral Social Security Agreement between the Republic of India and the Kingdom of the Netherlands is expected to be concluded on 22nd October 2009 in New Delhi by the Minister of Overseas Indian Affairs HE Mr. Vayalar Ravi and the Dutch Minister of Social Affairs & Employment HE Mr. P.H. Donner.

On 19th September 2009, at the Plenary Session of the Pravasi Bhartiya Divas (PBD) – Europe Convention, at the World Forum, The Hague, the Overseas Indian Affairs Minister Mr. Vayalar Ravi and the Dutch Minister of Social Welfare and Employment Mr. Piet Hein Donner had announced the signing of the agreement. The announcement was welcomed by the participants of the Convention.

In 2002, when the Dutch Government passed a bill to restrict the export of social security benefit to a country with which the Netherlands do not have bilateral social security agreement. Mr. Wahid Saleh, a prominent member of the Dutch-Indian community in the Netherlands and a member of the Board of Directors of the Europe India Chamber of Commerce Brussels, raised the matter with the Government of India through Embassy of India about the new Dutch law as India does not have a bilateral social security agreement.

The Bilateral Social Security Agreement would Prevent double coverage and avoid non-coverage of social security benefits and allow export of social security benefits to the nationals of both countries moving and working in each other's territories.

The Agreement would Guarantee equal treatment of nationals of the Contracting States under the respective laws of both countries; and regulate the co-operation between the two Contracting States to ensure the enforcement of the Agreement.

The Agreement also provides a special provision for exemption of social security contribution to the contracting State by employees of the other contracting State for a maximum duration of up to 60 months.

The agreement shall apply with respect to the Kingdom of the Netherlands, to the Netherlands' legislation concerning the following branches of social insurance:

- sickness and maternity benefits,
- disablement benefits for employed persons, sailors of the merchant marine;
- disablement benefit for self-employed persons;
- Old-age pensions,
- Survivors' benefits
- Child benefits

As regards India, the Agreement shall apply to all legislations concerning:

- (i) old age and survivors' pension for employed persons;
- (ii) the Permanent Total Disability pension for employed persons and, as regards Part (ii) only, to the legislation concerning;
- (iii) the social security for employed persons.

The signing and implementation of Bilateral Social Security Agreement will go a long way in encouraging and cementing the mobility of human resources between the two contracting States.

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