

AGREEMENT
BETWEEN
THE REPUBLIC OF SERBIA AND
THE REPUBLIC OF TURKEY
ON SOCIAL SECURITY

The Government of the Republic of Serbia and the Government of the Republic of Turkey being desirous of regulating relations between the two States (hereinafter called “Contracting States”) in the field of social security have agreed as follows.

PART I
GENERAL PROVISIONS

Article 1
Definitions of terms

(1) The terms used in the present Agreement shall be defined as follows:

1. “Territory”:
in relation to Serbia, the Republic of Serbia;
in relation to Turkey, the Republic of Turkey;
2. “Legislation”: the laws, by-laws and regulations which relate to the social security field specified in paragraph 1 of Article 2 of this Agreement;
3. “Competent Authority”:
in relation to the Republic of Serbia, competent Ministries;
in relation to the Republic of Turkey, Ministry of Labour and Social Security
4. “Competent Institution”: the insurance institution responsible for implementing the legislation mentioned in Article 2 of this Agreement and providing the benefits;
5. “Institution”: the institution in charge of applying the legislation mentioned in paragraph 1 of Article 2 of this Agreement;
6. “Insured Person”: the person who is or has been subject to the legislation mentioned in Article 2 of this Agreement;
7. “Period of Insurance”: the period over which insurance contributions have been paid or are deemed to have been paid under the legislation specified in Article 2 of this Agreement;
8. “Benefit”: all benefits or pensions including all components thereof provided out of public funds as well as all increases, revaluation allowances or supplementary allowances, unless otherwise specified in this Agreement;
9. “Residence”: permanent residence;
10. “Stay”: temporary stay;
11. “Member of family”: the persons defined or recognised as member of family by the legislation applied by the competent institution;
12. “Beneficiary”: the persons defined or recognised as such by the legislations of the Contracting States.
13. “Survivor”: the persons defined or recognised as survivor by the legislations of the contracting states.

(2) Any term not defined in this Agreement has the meaning assigned to it in the legislations of the contracting states.

Article 2 **Material scope**

(1) This Agreement shall apply to the following legislation:

In relation to Republic of Serbia:

- 1) Health insurance, medical care and maternity.
- 2) Pension and disability insurance (old-age, invalidity and death).
- 3) Injury at work and occupational diseases.
- 4) Unemployment cash benefits.
- 5) Child allowance.

In relation to the Republic of Turkey:

1. Invalidity, old age, death, work accident and occupational diseases insurances and general health insurance in respect of persons employed under a contract of employment by one or more employer;
2. Invalidity, old age, death insurances in respect of self-employed persons working on their own name and account without a contract of employment;-
3. Invalidity, old age, death insurances in respect of persons working in public administrations;
4. Invalidity, old age, death, work accident and occupational diseases insurances and general health insurance in respect of persons employed at the funds mentioned in Provisional Article 20 of Social Insurance Law No. 506;
5. Unemployment insurance

(2) This Agreement shall also apply to any legislation which amends, revises or replaces or supplements the legislation specified in paragraph 1 of this Article.

(3) Application of this Agreement to the legislation concerning a new social security scheme or a new social insurance branch shall be realized through conclusion of a new Agreement between the States for this purpose.

Article 3
Personal scope

Provisions of this Agreement shall apply to persons who had been subject to the legislation of either or both Contracting States or are subject to the legislation of either Contracting States as well as to family members of such persons and to survivors.

Article 4
Equality of treatment

Unless otherwise is provided in this Agreement, the persons who are resident in the territory of either Contracting State and to whom the provisions of this Agreement are applied, shall enjoy the rights provided by the legislation of the Contracting States on the same footing as the nationals of that country.

Article 5
Export of benefits

(1) Unless otherwise is provided in this Agreement, benefits entitled under the legislation of the Contracting State which is responsible for payment shall be paid at the same rate to persons within the scope of Article 3 of this Agreement even when they are resident in the territory of the other Party. In cases they are resident in the territory of a third country, benefits shall be paid in accordance with the legislation of that Contracting State which is responsible for payment.

(2) The provisions of paragraph 1 of this Article shall, not apply to the special benefits granted as assistance or in case of need as well as benefits granted to minimum pension.

PART II
PROVISIONS ON APPLICABLE LEGISLATION

Article 6
General provisions

Unless otherwise is provided in this Agreement:

(1) Persons who are in paid employment in the territory of either Contracting State or self-employed persons who perform their occupation in the territory of either Contracting State shall, with respect to that employment, be subject to the legislation of the Contracting State where they work even if they reside in the territory of the other Contracting State or if their employer or the registered office of their employer is located in the territory of the other Contracting State.

(2) Civil servants and similar personnel of either Contracting State shall be subject to the legislation of the Contracting State the administration of which employs them.

- (3) A person who is employed by a branch or permanent representation of an undertaking in the territory of a Contracting State other than that in which it has its registered office shall be subject to the legislation of the Contracting State in whose territory such branch or permanent representation is situated.

Article 7

Temporary posting

Where a person who is employed in the territory of either Contracting State is posted temporarily by his employer to perform certain work in the territory of the other Contracting State, he shall be subject to the legislation of the first Contracting State for a period not exceeding 24 months provided that she maintains the paid employee status of the same employer, or where a self-employed person who performs an occupation in the territory of either Contracting State moves to the territory of the other Contracting State to carry out his occupation temporarily there, he shall be subject to the legislation of the first Contracting State for a period not exceeding 24 months. In both cases, this period may be extended for up to 60 months upon prior approval of the competent authorities of both Contracting States.

Article 8

Personnel of international transport undertakings

A person who is a member of the travelling or flying personnel of an undertaking which, for hire or on its own account, operates international transport services for passengers or goods by road, rail, air or sea way and has its registered office in the territory of the other Contracting State shall be subject to the legislation of that Contracting State.

Article 9

Crew members and workers on vessels

- (1) A person who is employed on board a vessel flying the flag of either Contracting State shall be subject to the legislation of that Contracting State.
- (2) Where a person, who is employed in a port or the territorial waters of a Contracting State but who is not a member of the crew on a vessel, is engaged in loading, unloading and repairing a vessel flying the flag of other Contracting State or supervises such activities, he shall be subject to the legislation of the Contracting State of the port or territorial waters.
- (3) A person who is engaged on board a vessel flying the flag of a Contracting State and who is paid for this engagement by an undertaking or by a person that has its registered office or place of residence in the territory of other Contracting State shall be subject to the legislation of the latter State if he resides in that State's territory; the undertaking or person paying the remuneration shall be considered as employer for the purpose of the application of the said legislation.

Article 10
Diplomatic missions and consular officials

(1) Diplomats and other persons employed in diplomatic missions or consular posts of either Contracting State shall be subject to the legislation of the sending State.

(2) The service personnel referred to in paragraph 1 of this Article shall be subject to the legislation of the receiving Contracting State if they are employed locally. However, they may opt for the application of the legislation of the employing State within three months following the date of their engagement provided that they are nationals of the employing State.

(3) Legislation of the State where the workplace is situated shall apply in the case of persons who are outside the scope of paragraphs 1 and 2 of this Article.

Article 11
Exemptions

The competent authorities of the Contracting States may agree on exemptions to Articles 7 to 10 of this Agreement, regarding the legislation applicable to a person or category of persons.

PART III
SPECIAL PROVISIONS

SECTION 1
SICKNESS AND MATERNITY

Article 12
Aggregation of periods of insurance

(1) Where the legislation of either Contracting State makes entitlement to benefits conditional upon the completion of periods of insurance, the competent institution of that State shall take into account periods of insurance completed under the legislation of the other Contracting State, in so far as they do not coincide, as if they were periods of insurance completed under the legislation of the first Contracting State.

(2) With respect to sickness and maternity daily cash allowances, the aggregation of periods mentioned in paragraph 1 of this Article shall be effected only if the person concerned is insured in the territory of the Contracting State under whose legislation the application has been filed.

Article 13
**Receiving health benefits while working or staying
in the territory of the other Contracting State**

(1) The person referred to in Articles 7 and 10 of this Agreement, and members of family, shall be entitled to sickness and maternity benefit when their conditions require medical

treatment, in accordance with the legislation of the institution in the territory of other contracting state at the expense of the competent institution.

(2) In respect of the Republic of Turkey, the provisions of paragraph 1 of this Article will not be applicable to its diplomats and civil servants.

(3) The insured persons and members of their family who are entitled to benefits pursuant to the legislation of one contracting state, shall be entitled to benefits during their stay in the territory of other contracting state when their conditions require urgent medical treatment, at the expense of the competent institution.

(4) If the person who is insured under the legislation of one Contracting State and members of his family who reside with them transfer their residence to the other Contracting State while receiving sickness or maternity insurance benefits provided by the competent institution of the first Contracting State, they shall continue to receive these benefits. Provided that, the beneficiary should obtain the authorisation of the competent institution before moving to the other Contracting State. The demand for the authorisation shall be refused on account of a medical report to the effect that the health condition of the person concerned does not permit travelling to the other Contracting State.

(5) The authorisation referred to in paragraph 4 of this Article might be granted subsequently by the competent institution if it has not previously been obtained for reasons beyond control.

(6) The acquisition of the right to benefits, the duration of the benefits and members of family eligible for benefits shall be determined in pursuance of the legislation of the Contracting State in whose territory the person is insured, whereas the mode and scope of provision shall be determined in accordance with the legislation of the Contracting State in whose territory the recipient stays.

Article 14

Entitlement to health benefits for family members of the insured person, with residency in other Contracting State

(1) The members of the family of a person who is entitled to health benefits under the legislation of a Contracting State under which he is insured, who reside in the territory of the other Contracting State, shall receive benefits as specified by the legislation of the Contracting State in whose territory they reside, under condition that they are not insured on the basis of their own insurance. The expenses of the provided health benefits shall be covered by the competent institution in which the family members of the insured person are insured on the basis of his affiliation to that competent institution.

(2) When the members of the family referred to in paragraph 1 of this Article go temporarily or transfer their residence to the territory of the State of competent institution, they shall receive health benefits in accordance with the legislation of that Contracting State.

(3) The acquisition of the right to benefits, the duration of the benefits and members of family eligible for benefits shall be determined in pursuance of the legislation of the Contracting State in whose territory the person is insured, whereas the mode and scope of provision shall

be determined in accordance with the legislation of the Contracting State in whose territory the recipient stays.

Article 15

Health benefits for the pensioners and members of their families

(1) Pensioners receiving pensions under the legislation of both Contracting States and the members of their families shall receive health benefits under the legislation of the Contracting States in whose territory they are resident.

(2) Pensioners receiving a pension under the legislation of one Contracting State who has residence in the territory of the other Contracting State and members of their families shall be subject to the legislation of that Contracting State, as if the entitlement to pension benefit were acquired pursuant to its applicable legislation, at the expense of the competent institution.

The acquisition of the right to benefits, the duration of the benefits and members of family eligible for benefits shall be determined in pursuance of the legislation of the Contracting State in whose territory the person is insured, whereas the mode and scope of provision shall be determined in accordance with the legislation of the place of residence.

(3) In pursuance of paragraph 2 of this Article, when the conditions of the pensioner and members of his family who are resident in the territory of one Contracting State require urgent medical treatment during their stay in the territory of the other Contracting State, they shall be entitled to receive benefits in accordance with the legislation of the second Contracting State and at the expense of that Contracting State.

(4) When pensioners receiving pension under the legislation of a Contracting State and members of their families stay temporarily in the territory of the other Contracting State, they shall receive health benefits if their condition require urgent medical treatment at the expense of the institution in which they are insured.

Article 16

Orthopaedic appliances, prostheses and other health benefits requiring high costs

Orthopaedic appliances, prostheses and other health benefits requiring high costs shall be provided, except for the cases of emergency, upon the authorisation of the competent institution. The list of such benefits shall be attached to the Administrative Agreement.

Article 17

Cash benefits

(1) Cash benefits shall be paid by the competent institution in accordance with the legislation it applies.

(2) If the amount of cash benefits under the legislation of either Contracting State is dependent on the number of members of the family, the competent institution shall also take into account the members of the family resident in the territory of the other Contracting State.

Article 18 Reimbursement

The competent institution shall reimburse the costs of health benefits to insurance institution of other contracting state for benefits provided pursuant to Articles 13, 14, 15, 16, and 24 of this Agreement, according to the procedure established by the Administrative Agreement.

SECTION 2 OLD-AGE, INVALIDITY AND DEATH

Article 19 Aggregation of periods of insurance

(1) Where the legislation of either Contracting State makes entitlement to benefits conditional upon the completion of periods of insurance, the institution which applies that legislation shall, where necessary, take into account periods of insurance completed under the legislation of the other Contracting State, in so far as they do not overlap, as if they were periods of insurance completed under the legislation of the first Contracting State.

(2) Where a person does not qualify for a benefit in pursuance of the provisions of paragraph 1 of this Article, the competent institutions shall also aggregate the insurance periods completed under the legislation of a Third State with which they concluded an Agreement on Social Security, in so far as these periods do not overlap.

(3) Where the right to receive benefits under the legislation of either Contracting State is conditional upon the completion of a certain period in an occupation covered by a special scheme or in a specified occupation or employment, only periods completed under the scheme concerned or, in the absence of such a scheme, in the same occupation or employment, as appropriate, shall be taken into account for determining entitlement to such benefits under the legislation of the other Contracting State.

(4) Where the entitlement to benefits under the legislation of either Contracting State is conditional upon the completion of an insurance period within a certain time frame, that time frame is extended as much as the periods of insurance and benefits received within the said time frame (periods of pension, sickness, accidents at work and unemployment benefits) in the territory of the other Contracting State.

(5) One month of the periods in which premium or contribution is paid under Turkish legislation shall be considered as equivalent to 30 days, and one year equivalent to 360 days.

Article 20
Period of insurance less than one year

- (1) If the total period of insurance completed under the legislation of one Contracting State is shorter than 12 months, the benefit shall not be granted, except when, according to those legislation, there exists a right to benefit based exclusively on that period of insurance.
- (2) In pursuance of paragraph 1 of this Article the competent institution of the either Contracting Party shall take into account these periods for the entitlement to, maintenance of and re-entitlement to benefits as well as the determination of the actual amount as if those periods had been completed under the legislation it applies.

Article 21
Calculation of cash benefits

- (1) If entitlement to benefits under the legislation of either Contracting State is to be acquired without regard to the provisions of Article 19 of this Agreement, the competent institution of that Contracting State shall calculate the benefits to be awarded solely on the basis of the periods completed under the legislation it applies.
- (2) If the person concerned acquires the right to benefits under the legislation of either Contracting State only through application of Article 19 of this Agreement, the competent institution of this Contracting State shall calculate the benefits as follows:
1. the competent institution shall calculate the theoretical amount taking into account all the insurance periods completed under the legislation of both Contracting States as if they had been completed solely under the legislation which that institution applies;
 2. on the basis of the amount calculated as referred to above, the actual amount of benefit shall be computed as a proportion between insurance periods completed exclusively according to its legislation and total insurance periods taken into account for calculating the benefit.
 3. if the periods of insurance completed under the legislation of both Contracting States exceed the maximum period required by the legislation of either State for the receipt of full benefit, the competent institution of that State shall take this maximum period into account instead of the total periods completed.
- (3) Where benefits under the legislation of a Contracting State are calculated on the basis of earnings or contributions paid under the legislation of that State, the competent institution shall take into account the earnings or contributions paid exclusively under the legislation it applies.

Article 22
Reduction, suspension and cancellation of benefits

Persons to whom this Agreement is applicable shall not be subject to legislation of the two Contracting States concerning reduction, suspension or cancellation of benefit in case of the

simultaneous receipt of the benefits from the competent institutions of both Contracting States.

SECTION 3 DEATH GRANT

Article 23 Aggregation of periods of insurance and award of death grants

(1) Where entitlement to death grants under the legislation of either Contracting State is conditional upon the completion of a period of insurance, the competent institution of that Contracting State shall take into account, if necessary, periods of insurance completed under the legislation of the other Contracting State, in so far as they do not overlap, as if they were periods of insurance completed under the legislation of the first State.

(2) Where a person who is insured under the legislation of one Contracting State dies in the territory of the other Contracting State, it shall be assumed that he has died in the territory of the Contracting State where he is insured and qualifies for a death grant.

(3) If entitlement to benefit in case of death exists pursuant to legislation of both Contracting State, only the legislation of that contracting state in the territory of which the deceased had place of residence shall apply.

SECTION 4 ACCIDENTS AT WORK AND OCCUPATIONAL DISEASES

Article 24 Medical benefits

(1) Any person who has the right to receive the work accident or occupational disease benefits under the legislation of a Contracting State and who resides or stays in the territory of the other Contracting State shall receive health benefits under the legislation of the State in whose territory he resides or stays, and at the expense of competent institution

(2) Provisions of Article 16 of this Agreement shall apply with respect to the prostheses, orthopaedic appliances and other health benefits requiring high costs.

(3) For the reimbursement of the cost of benefits provided under paragraph 1 of this Article, the provisions of Article 18 shall apply *mutatis mutandis*.

Article 25 Occupational diseases

(1) Where under the legislation of one Contracting State the eligibility to receive benefits for occupational diseases is conditional upon the disease in question being first contracted in its territory, that condition shall be deemed to have been satisfied even when the disease was first contracted in the territory of the other Contracting State.

(2) If granting of the benefit in the case of the occupational disease, according to legislation of one Contracting State, is conditional upon the fact that the occupation which may have induced such disease lasted for specific time, the competent institution of that contracting state shall also take into account, if necessary, the periods spent in such occupation in accordance with the legislation of other Contracting State.

Article 26 Cash benefits

(1) If the cash benefit in the case of occupational disease exists pursuant to legislation of both Contracting States, the benefit shall be granted only pursuant to legislation of the Contracting State in the territory of last performance of the economic activity conducive to occurrence of the occupational disease concerned.

(2) Where an insured person has received benefits for occupational disease under the legislation of either Contracting State, and in the event of an aggravation of his condition during his residence in the territory of the other Contracting State, the competent institution of the first Contracting State shall bear the cost of benefit, taking the aggravation into account, in accordance with the provisions of the legislation which that institution applies, in so far as the person contracted occupational disease has not engaged, under the legislation of the second Contracting State, in an occupation liable to cause or aggravate the disease in question. If the insured person has engaged in such an activity under the legislation of the second Contracting State, the competent institution of the first Contracting State shall bear the cost of benefit, leaving the aggravation out of account, in accordance with the provisions of the legislation it applies; the competent institution of the second Contracting State shall pay the difference between the amount of benefit calculated after the aggravation in accordance with the legislation which that institution applies and the amount of benefit that would have been due before the aggravation.

SECTION 5 UNEMPLOYMENT BENEFITS

Article 27 Aggregation of periods of insurance

(1) Where the entitlement to benefits according to one of the Contracting States' legislation is conditional upon the completion of periods of insurance, the competent institution of that State shall take into account periods of insurance completed under the legislation of the other Contracting State, in so far as they do not overlap.

(2) The amount, duration and mode of payment of the benefits shall be determined according to the legislation that the competent institution applies.

**SECTION 6
CHILD ALLOWANCE**

**Article 28
Aggregation of periods of insurance**

- (1) Where the legislation of either Contracting State makes entitlement to child allowance conditional upon the completion of periods of insurance, the competent institution shall take into account periods of insurance completed under the legislation of the other Contracting State, in so far as they do not overlap, as if they were periods of insurance completed under the legislation of the first Contracting State.
- (2) Right to child allowance for children who have residence in the territory of other Contracting State shall be established pursuant to legislation of that Contracting State under legislation of which the person is insured, as if those children were resident in the territory of that Contracting State.
- (3) Where the entitlement to family benefits exists under the legislation of both Contracting States, benefit shall be paid in accordance with the legislation of the Contracting State in whose territory the child resides.

**PART IV
MISCELLANEOUS PROVISIONS**

**Article 29
Administrative measures and co-operation methods**

- (1) The competent authorities of the Contracting States shall make the administrative arrangements necessary for the application of this Agreement.
- (2) The competent authorities of the Contracting States shall communicate to each other as soon as possible the necessary information on the measures taken for the application of this Agreement and inform of any changes in their national legislation in so far as these changes affect the application of this Agreement.
- (3) The competent authorities of the Contracting States shall determine liaison bodies for the purpose of facilitating the implementation of this Agreement.
- (4) The competent authorities and institutions of the Contracting States shall assist each other on any matters relating to the application of this Agreement as if these matters affected the application of their own legislation. Such administrative assistance shall be free of charge.
- (5) Medical examination performed exclusively for the application of the legislation of one contracting state and referring to persons having place of residence or stay in the territory of other contracting state, shall be performed at the request and at the expense of the competent institution, by the institution of its residence or temporary stay. Medical examinations related

to the enforcement of legislation of both Contracting States shall be performed at the expense of and by the institution of residence or temporary stay .

- (6) Any information about an individual which is communicated to a Contracting State by the other Contracting State in accordance with this Agreement shall be deemed confidential for the purpose of this Agreement and be used only in the application of this Agreement and the legislation to which this Agreement applies. The other Contracting State shall not disclose the information so communicated.

Article 30
Use of official languages

- (1) For the application of this Agreement, the competent authorities and the institutions of the Contracting States may communicate with each other in their official languages.
- (2) No claim or document shall be rejected on the ground that it is written in the official language of the other Contracting State.

Article 31
Exemption from charges and authentication

- (1) Exemption from, or reduction in the dues and charges of the written files and documents enclosed for the purpose of application of the legislation of a Contracting State shall also apply to any declaration or other document which is submitted under the legislation of the other Contracting State or for the implementation of this Agreement.
- (2) Any identity statement, document and declaration submitted for the purposes of this Agreement need not be authenticated.

Article 32
Submission of written claims

- (1) Any application, declaration or appeal which is submitted, in pursuance of the application of this Agreement or under the legislation of either Contracting State to a competent authority, institution or other competent body of a Contracting State shall be deemed to be submitted to the competent authority, institution or other competent body of other Contracting State.
- (2) A claim for benefit submitted under the legislation of either Contracting State in pursuance of the application of this Agreement shall be considered as a claim for benefit submitted under the legislation of other Contracting State.
- (3) Any application, declaration or appeal which should, under the legislation of either Contracting State be submitted to a competent authority, institution or other competent body of that Contracting State may be submitted within the same period to the competent authority, institution or other competent body of the other Contracting State.

- (4) In the cases mentioned paragraphs 1 to 3 of this Article, the abovementioned institutions shall, either directly or through the liaison bodies, forward without delay these applications, declarations or appeals to the competent institution of the other Contracting State.

Article 33 Compensation for damages

- (1) In the event that a person is receiving benefits under the legislation of either Contracting State on account of a damage occurred in the territory of the other Contracting State, and if the right to compensation exists against the third parties under the legislation of that Contracting State, the right to compensation is then transferred under the legislation of first Contracting State to its institution.
- (2) If the right to compensation for the same damage is related to the same kind of benefits and this right arises for both institutions of Contracting States in accordance with the provision of paragraph 1 of this Article, the third party may pay the compensation to the institution of either one or the other Contracting States. The institutions shall share the compensation received according to the ratio of the benefits they have paid.

Article 34 Recovery of undue payments

If the competent institution of either Contracting State pays to a beneficiary, under the provisions of this Agreement, a sum in excess of his entitlement, it may request the institution of the other Contracting State responsible for the payment of corresponding benefits to that person to deduct the amount overpaid from any amounts payable to him. The said competent institution shall transfer the amount so deducted to the institution of the other Contracting State.

If recovery of undue payment cannot be made in this way, the following procedure shall apply:

1. Where the institution of either Contracting State has paid to a beneficiary a sum in excess of his entitlement, that institution may, on the conditions and to the extent permissible under the legislation it applies, request the institution of the other Contracting State responsible for payment of benefits to the beneficiary to deduct the amount overpaid from the payments it will make to him.

The competent institution of the other Contracting State shall deduct that amount, on the conditions and to the extent permissible under the legislation it applies, as if the overpayment had been made by it, and shall transfer the amount so deducted to the institution of the other Contracting State.

2. Where the competent institution of either Contracting State has made an advance payment to the beneficiary under its legislation, it may request the competent institution of the other Contracting State to deduct the amount of the advance from payments due to the beneficiary

for the same period. The competent institution of the other Contracting State shall deduct the amount and transfer it to the competent institution of the Contracting State that made the request.

Article 35 Currency of Payment

- (1) Payment of any benefit in accordance with this Agreement shall be made in the currency of the Contracting State whose competent institution makes the payment, and any such payment made shall constitute a full discharge of the obligation of the competent institution for the payment.
- (2) If, under this Agreement, the competent institution of either Contracting State is liable to pay sums by way of a reimbursement for benefit provided by the institution of the other Contracting State, its liability shall be expressed in the currency of the second State. The institution of the first Contracting State shall discharge its liability by paying with its own currency.

Article 36 Resolution of disputes

- (1) The competent authorities of the Contracting States shall jointly resolve any dispute about the interpretation and application of this Agreement through negotiations.
- (2) If any dispute cannot be resolved as specified in paragraph 1 of this Article and within six months, it shall be submitted to an arbitration mechanism which can resolve it in accordance with the basic principles and spirit of this Agreement. The Contracting States shall determine together the rules concerning constitution and working method of the arbitration mechanism.

PART V TRANSITIONAL AND FINAL PROVISIONS

Article 37 Transitional provisions

- (1) This Agreement shall confer no rights to benefits for any period before its entry into force.
- (2) Any period of insurance completed under the legislation of a Contracting State before the entry into force of this Agreement shall be taken into account for the purpose of determining rights arising from this Agreement.
- (3) Any benefit due only by virtue of this Agreement shall be paid, at the request of the person concerned and in accordance with the provisions of this Agreement, with effect from the entry into force of this Agreement, unless the rights previously determined have given rise to a lump-sum payment.

Article 38
Ratification and entry into force

- (1) This Agreement shall be ratified in accordance with the legislation of the Contracting States and the instruments of ratification shall be exchanged as soon as possible.
- (2) The Agreement shall enter into force on the first day of the third month following the month in which the instruments of ratification are exchanged.

Article 39
Duration and Denunciation of the Agreement

- (1) This Agreement shall remain in force indefinitely.
- (2) Either Contracting State may denounce it by giving three months notice in writing to the other Contracting State.

Article 40
Maintenance of acquired rights

- (1) In the event of denunciation of this Agreement, all rights acquired under the Agreement shall be maintained.
- (2) In the event of denunciation of this Agreement, all processings related to the rights to benefits on which no decision is given yet shall be concluded in accordance with the provisions of this Agreement.

In witness whereof the authorised representatives have signed this Agreement and sealed it.

Done in two originals at Belgrade on 26. October 2009, in the Serbian, Turkish and English languages, all three texts being equally authoritative. In case of discrepancy in the interpretation, the text in English shall prevail.

FOR THE REPUBLIC OF SERBIA

Rasim Ljajić

FOR THE REPUBLIC OF TURKEY

Omer Dincher