

AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF SERBIA AND
THE GOVERNMENT OF THE REPUBLIC OF AZERBAIJAN
ON SOCIAL SECURITY

The Government of the Republic of Serbia and the Government of the Republic of Azerbaijan hereinafter referred to as the “Contracting Parties”

led by the willingness to regulate mutual relations in the field of social security

have agreed as follows:

PART I
General Provisions

Article 1
Definitions

1. For the purpose of this Agreement the following terms shall mean:
 - 1) “citizen”
 - as regards the Republic of Serbia, a person who is a citizen of the Republic of Serbia in line with its legislation,
 - as regards the Republic of Azerbaijan - a person who is a citizen of the Republic of Azerbaijan in line with its legislation;
 - 2) “legislation” - laws and other normative legal acts related to the field of social security specified in Article 2 of this Agreement;
 - 3) “competent authorities” - the ministries responsible for the applying the legislation specified in Article 2 of this Agreement;
 - 4) “competent institutions” – bodies or institutions charged with application of the legislation specified in Article 2 of this Agreement;
 - 5) “liaison body” - a body authorized for the purpose of efficient implementation of this Agreement;

- 6) “insured person” – a person who is insured or who has been insured under the legislation of the Contracting Parties;
 - 7) “insurance period”- any period of social insurance contributions paid under the legislation of one Contracting Party, and any other period which is recognized as equivalent to a period of contributions paid under this legislation;
 - 8) “pension capital” – an amount defined as pension capital in accordance with the legislation of the Republic of Azerbaijan;
 - 9) “pensions” - a sum of money provided for in the legislation of the Contracting Parties specified in Article 2 of this Agreement;
 - 10) “residence”- a place of permanent residence or permanent stay in accordance with the legislation of the Contracting Parties;
 - 11) “family member”- a person defined as such under the legislation of the Contracting Party, whose legislation is applicable.
2. Other terms which are not determined in this Article shall have the meaning assigned to them according to the applicable legislation of the relevant Contracting Parties.

Article 2

Legislation scope

1. This Agreement shall be applied to the following legislation:
 - as regards the Republic of Serbia:
 - 1) in the field of pension and disability insurance
 - as regards the Republic of Azerbaijan:
 - 1) in the field of pension provision,
 - 2) in the field of social insurance for the purpose of pension provision.
2. This Agreement shall also apply to all normative legal acts which amend, substitute or supplement the legislation specified in paragraph 1 of this Article.
3. Notwithstanding the provision of paragraph 2 of this Article, this Agreement shall also apply to the legislation which extends the scope of existing legislation of a Contracting Party to new categories of persons or to new pensions, unless the competent authority of the Contracting Party notifies in writing the competent authority of the other Contracting

Party, within three months of the entry into force of that legislation, that this Agreement shall not apply to the new categories of persons or to new pensions.

4. This Agreement shall not be applicable to military personnel and the persons equal to them in terms of pension provision under the legislation of the Republic of Azerbaijan, to their family members and to other categories of workers and their family members for whom the legislation of the Republic of Azerbaijan provides for special norms of pension provision, as well as to the cases of automated pension granting.

Article 3

Personal scope

This Agreement shall be applied to the citizens of the Contracting Parties who are or have been subject to the legislation of one or both Contracting Parties, and to their family members.

Article 4

Equal treatment

1. Unless otherwise provided in this Agreement, in applying the legislation of a Contracting Party, the persons specified in Article 3 of this Agreement shall receive equal treatment with the citizens of this Contracting Party.
2. Events which occurred in the territory of one Contracting Party, and that have effect on implementation of the right to pension under the legislation of the other Contracting Party, shall be taken into account by the second Contracting Party as if they had taken place in its territory.

Article 5

General provisions on pension payment

1. Unless otherwise provided in this Agreement, a pension granted under the legislation of one Contracting Party shall be payable to the pension recipient who resides in the territory of the other Contracting Party, or in the territory of a third state.
2. Pensions shall not be subject to any reduction, modification, suspension or withdrawal only by reason of the fact that the pension recipient resides in the territory of the other Contracting Party, or in the territory of a third state.
3. The provisions of paragraphs 1 to 2 of this Article shall not be applicable to the following:

as regards the Republic of Serbia - to the difference between the amount of granted pension and the minimum pension amount if the amount of granted pension is below the minimum pension;

as regards the Republic of Azerbaijan - to the insurance part of pension as well as to the difference between the amount of the granted pension and the minimum pension amount if the amount of granted pension is below the minimum pension;

4. Persons entitled to receive the pension amounts which were not received by the pension recipient due to his/her death shall submit applications and documents specified in the legislation for receiving these amounts to the competent institution of one of the Contracting Parties.
5. The competent institution of one Contracting Party making payment of pensions to the territory of the other Contracting Party shall bear the costs for their transfer.

Article 6

Payment of pensions

1. Based on the application of a pension recipient, the granted pension may be paid in the territory of the Contracting Party which has granted it or may be transferred to the territory of the other Contracting Party where the pension recipient has residence, in the manner prescribed in the Administrative Arrangement provided for in paragraph 1 of Article 11 of this Agreement.
2. If a pension recipient resides in a territory of a third state, the pension granted under the legislation of one of the Contracting Parties shall be paid as follows:
as regards the Republic of Serbia - under the same conditions as for its citizens;

as regards the Republic of Azerbaijan - by choice of the beneficiary in its territory, or shall be transferred to the territory of the Republic of Serbia.
3. The competent institution of one Contracting Party shall transfer pensions under this Agreement to the pension recipients in the territory of the other Contracting Party in euros (EUR) or dollars (USD).

PART II

Applicable legislation

Article 7

General provision

Unless otherwise provided in this Agreement, the insured persons covered under this Agreement shall be subject only to the legislation of the Contracting Party in the territory of which they are employed on labour contract or self-employed.

Article 8

Special provisions

1. The insured persons who are simultaneously employed on labour contract or self-employed in the territory of both Contracting Parties shall be subject to the legislation of the Contracting Party in the territory of which these insured persons have residence.
2. The insured persons who are employed on labour contract in the territory of one Contracting Party, and self-employed in the territory of the other Contracting Party, shall be subject to the legislation of the Contracting Party in the territory of which the insured persons are engaged in labour activity.
3. The insured persons who are employed on labour contract with an employer in the territory of one Contracting Party and are posted by this employer to work for a certain period of time in the territory of the other Contracting Party, shall be subject to the legislation of the first Contracting Party for the posting period, but no longer than 24 months. By agreement between the competent authorities the specified period may be extended individually for a period not exceeding 24 months.
4. The provisions of paragraph 3 of this Article shall also apply to the self-employed insured persons.
5. Members of diplomatic missions and consulates of the Contracting Parties, as well as their private domestic workers, shall be subject to the provisions of the Vienna Convention on Diplomatic Relations of 18 April 1961, and the Vienna Convention on Consular Relations of 24 April 1963 respectively.
6. Crew members on vessels shall be subject to the legislation of the Contracting Party whose flag the vessel is flying.
7. Persons employed for loading, unloading, and repair of vessels shall be subject to the legislation of the Contracting Party on the territory of which the port is located.
8. Travelling personnel of an employer carrying out international transport services on the territories of both Contracting Parties shall be subject to the legislation of the Contracting Party on the territory of which the employer is registered.
9. The aircraft crew shall be subject to the legislation of the Contracting Party on the territory of which the aircraft is registered.
10. The competent authorities of the Contracting Parties may grant on the basis of mutual agreement an exception to the provisions of paragraphs 3 and 4 of this Article.

PART III
Special Provisions on Pensions

Article 9
Determination of the right to pension

1. Unless otherwise provided in this Agreement, each Contracting Party shall grant pension based on:
 - as regards the Republic of Serbia - the insurance period;
 - as regards the Republic of Azerbaijan - the insurance period or pension capital

acquired in its territory and under its legislation.

2. If the conditions for exercising the right to pension based on the insurance period completed in the territory and under the legislation of one Contracting Party are not met, the competent institution of that Contracting Party shall take into account the insurance period completed in the territory and under the legislation of the other Contracting Party, provided that these periods do not overlap.
3. For an insured person of one of the Contracting Parties who does not meet the conditions for exercising the right to pension even in case of implementation of paragraph 2 of this Article, the competent institution shall take into account the insurance period completed in a third state with which that Contracting Party has concluded an agreement on social security.
4. In assessing the right to pension under the legislation of one Contracting Party in relation to work in a particular profession, particular occupation, or under particular working conditions, the similar work periods completed in the territory and under the legislation of the other Contracting Party shall be taken into account as insurance periods on a common basis.
5. If the insurance period completed in the territory and under the legislation of one of the Contracting Parties is less than 12 months, the pension shall not be granted, except the cases when this insurance period results in a right to pension.

Article 10
Calculation of pensions

1. The competent institution of a Contracting Party shall calculate the amount of the pension:
 - a) - as regards the Republic of Serbia – on the basis of the insurance period;
 - as regards the Republic of Azerbaijan – on the basis of the insurance period or pension capital

acquired in its territory and under its legislation, if the conditions for entitlement to the pension have been satisfied exclusively under its legislation;

b) proportionally according to the ratio of the length of insurance periods completed in its territory and under its legislation to the total sum of aggregated periods,

in such a case:

- the competent institution shall calculate the theoretical pension amount of the pension which could have been claimed provided that all insurance periods had been completed under its legislation

and

- then - on the basis of the theoretical amount calculated in accordance with second part of subparagraph b) determine the amount of pension payable by applying the ratio of the duration of insurance periods completed under its legislation to the total insurance periods.

2. When calculating the amount of the pension, the competent institution of a Contracting Party shall take into account only the incomes or contributions for the insurance periods completed in its territory and under the legislation it applies.

PART IV

Cooperation of the Contracting Parties

Article 11

Administrative Arrangement

1. The competent authorities of the Contracting Parties shall conclude an Administrative Arrangement for the implementation of this Agreement.
2. The competent authorities of the Contracting Parties shall indicate the competent institutions and liaison bodies in the Administrative Arrangement referred to in paragraph 1 of this Article.

Article 12

Exchange of information and mutual assistance

1. The competent authorities, competent institutions and liaison bodies of the Contracting Parties shall, within the scope of their competencies, exchange information and provide mutual assistance to one another in the implementing this Agreement.

2. Decisions on disability (on disability assessment) shall be made by the competent institution of the Contracting Party under whose legislation the pension is granted and paid, based on medical documentation.
3. When assessing disability, the competent institution of one Contracting Party shall take into account the medical documentation issued by the competent institution or relevant medical institution of the other Contracting Party.
4. The disability assessment required under the legislation of one Contracting Party, for a person who resides in the territory of the other Contracting Party, shall be conducted at the request of the competent institution by the corresponding institution of the person's place of residence in the territory of the other Contracting Party free of charge.
5. The documents required for the exercise and use of the right to pension issued by official bodies of one Contracting Party shall be recognized by the other Contracting Party without legalization.

Article 13

Confidentiality of exchanged information

Information about an individual which is transmitted in accordance with this Agreement by one Contracting Party to the other Contracting Party shall be used exclusively for purposes of implementing this Agreement. Consideration, processing and storage of personal data shall be done by the competent institution of the Contracting Party to which these data were transmitted in accordance with its legislation on personal data protection.

Article 14

Language and correspondence

1. An application or document may not be rejected by a competent authority, competent institution or a liaison body of a Contracting Party solely because it is in an official state language of the other Contracting Party or in English.
2. The competent authorities, competent institutions and liaison bodies of the Contracting Parties may correspond with one another as well as with any person, wherever that person may reside, for the application of this Agreement or the legislation to which this Agreement applies. This correspondence may be conducted in the official state language of either Contracting Party, or in English.

Article 15
Submitting applications and documents

1. Application submitted for granting, recalculation and payment of pension under the legislation of one Contracting Party shall be at the same time considered as an application submitted for granting, recalculation and payment of pension under the legislation of the other Contracting Party, except the cases when an insured person has requested granting, recalculation and payment of pension from one Contracting Party only.
2. Applications, complaints, documents required for the implementation of this Agreement submitted by an insured person or pension recipient to the competent authority, competent institution or liaison body of one Contracting Party shall be considered as submitted on the same date to the relevant body of the other Contracting Party.
3. Delivery time of applications, complaints, documents required for the implementation of this Agreement between competent authorities and competent institutions of the Contracting Parties shall not be included in the time for consideration of the applications, complaints, documents and for decision making according to the legislation of the Contracting Parties.

Article 16
Overpayments

The competent institution of one Contracting Party which paid a higher pension amount than was required and suspended its payment may request the competent institution of the other Contracting Party to deduct the amount paid in excess from the pension it pays, in a manner and in the amount defined under its applicable legislation.

Article 17
Settlement of disputes

Differences and disputes which may arise in implementing this Agreement shall be settled by agreement of the competent authorities of the Contracting Parties.

PART V
Transitional and Final Provisions

Article 18
Transitional provisions

1. The right to pension under this Agreement shall be exercised from the day of the entry into force of this Agreement.
2. When determining the right to pension in accordance with the provisions of this Agreement, the insurance period completed prior to the entry into force of this Agreement shall be taken into account.
3. This Agreement shall also be applied to insurance cases that occurred prior to its entry into force.
4. With regard to the application of paragraphs 3 and 4 of Article 8 of this Agreement, the posting period of a person who had worked in the territory of one Contracting Party prior to the entry into force of this Agreement shall be considered to begin on the date of entry into force of this Agreement.

Article 19
Supplements and amendments

Upon mutual agreement of the Contracting Parties supplements and amendments may be made to this Agreement in the form of a separate agreement.

Article 20
Entry into force and duration of the Agreement

1. This Agreement is concluded for an indefinite term.
2. This Agreement shall be subject to ratification.
3. This Agreement shall enter into force on the first day of the month following the month in which the ratification instruments were exchanged through diplomatic channels.
4. Either Contracting Party has the right to terminate this Agreement by giving written notice through diplomatic channels to the other Contracting Party. This Agreement expires on the last day of the year in which the notice was given, provided that the notice was sent not later than six months before the end of that year.

5. In the event of termination of this Agreement, the rights regarding entitlement to or payment of pensions obtained under its provisions shall remain in force, the pension applications submitted prior to its termination shall be decided upon under its provisions.

Done at Belgrade and Baku on April 7, 2022, in two original copies, each in Serbian, Azerbaijani, and English, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

**For the Government of the Republic of
Serbia**

**For the Government of the Republic of
Azerbaijan**