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## India

## Social Security Agreement Signed with Portugal

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India and Portugal signed a social security agreement March 4, 2013. A press release issued by the Ministry of Overseas Indian Affairs<sup>1</sup> highlights that the SSA has been executed to take advantage of emerging employment opportunities and to further strengthen trade and investment between the two countries.

As per the Press Release, the SSA will provide the following benefits to Indian nationals working in Portugal:

- For a short-term employment contract of up to five years, social security contribution would not be required to be paid under Portuguese law by the detached workers, provided such workers continue to make social security contributions in India. This benefit will be available even when the Indian company sends its employees to Portugal from a third country.
- Indian nationals shall also be entitled to export any Portuguese social security benefit once they relocate to India after the completion of their service in Portugal.
- Self-employed Indians working in Portugal will also be entitled to export the accrued Portuguese social security benefit on their relocation to India.
- The period of contribution in one contracting state will be added to the period of contribution in the second contracting state for determining the eligibility for social security benefits.

While the SSA with Portugal has been signed, the benefits contained thereunder will come into effect only once the SSA is notified by the Government of India. In addition to Portugal, India has signed SSAs with several other countries including Belgium, Germany, Switzerland, France, Luxembourg, Netherlands, Hungary, Denmark, Czech Republic, Republic of Korea, Norway, Finland, Canada, Japan, Sweden and Austria. A number of these SSAs have been the subject of previous newsletter articles.<sup>2</sup>

<sup>1</sup><u>http://www.pib.nic.in/newsite/erelease.aspx?relid=92987</u>

<sup>2</sup><u>http://www.americanbar.orq/content/newsletter/qroups/labor\_law/int\_newsletter/2013/feb2013/feb2013ind.html</u> <u>http://www.americanbar.orq/content/newsletter/qroups/labor\_law/int\_newsletter/ilel\_news20121/july2012/1207\_ilelc\_india.html#india2</u>

http://www.americanbar.org/content/newsletter/groups/labor law/int newsletter/ilel news20121/nov2012/1211 ilelc india.html

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