

**AGREEMENT BETWEEN THE REPUBLIC OF KOREA
AND
THE REPUBLIC OF CROATIA ON SOCIAL SECURITY**

The Republic of Korea and the Republic of Croatia (hereinafter referred to as the “Contracting Parties”),

Being desirous of regulating the relationship between the two countries in the area of social security,

Have agreed as follows:

PART I
GENERAL PROVISIONS

Article 1
Definitions

1. For the purpose of this Agreement, the following definitions apply:
 - (a) “Croatia” means the Republic of Croatia, and “Korea” means the Republic of Korea;
 - (b) “national” means, in relation to Croatia, a national of Croatia as defined according to the Croatian laws in force, and in relation to Korea, a national of Korea as defined in the Nationality Law;
 - (c) “legislation” means the laws and regulations specified in Article 2 of this Agreement;
 - (d) “Competent Authority” means, in relation to Croatia, the Ministry responsible for the implementation of the Croatian legislation specified in Article 2 of this Agreement, and in relation to Korea, the Ministry of Health and Welfare;
 - (e) “Liaison Body” means a body or an institution according to the Administrative Arrangement for the implementation of this Agreement, responsible for mutual communication between institutions for the purpose of the implementation of this Agreement;
 - (f) “Competent Institution” means, in relation to Croatia, the body or authority responsible for the application of the legislation specified in Article 2 of this Agreement, and in relation to Korea, the National Pension Service;
 - (g) “insured person” means a person who is insured or who has been insured according to the legislation specified in Article 2 of this Agreement;
 - (h) “period of insurance” means any period of contribution or any other period

recognized as equivalent to the period of contribution under the legislation specified in Article 2 of this Agreement;

- (i) “benefit” means any benefit provided for in the legislation specified in Article 2 of this Agreement;
- (j) “residence” means the place where a person ordinarily resides in accordance with the applicable laws of either Contracting Party.

2. Any term not defined in paragraph 1 of this Article has the meaning assigned to it in the applicable legislation of the Contracting Parties.

Article 2

Legislative Scope

1. This Agreement shall apply to the following legislation:
 - (a) in relation to Croatia, the laws and regulations governing the compulsory pension insurance system;
 - (b) in relation to Korea, the National Pension Act.
2. Unless otherwise provided in this Agreement, the legislation referred to in paragraph 1 of this Article shall not include treaties or other international agreements on social security that may be concluded between one Contracting Party and a third State, or legislation promulgated for their specific implementation.
3. This Agreement shall also apply to future legislation which amends, supplements, consolidates or supersedes the legislation specified in paragraph 1 of this Article.
4. Notwithstanding paragraph 3 of this Article, this Agreement shall not apply to the laws or regulations which extend existing legislation of one Contracting Party to new categories of beneficiaries, if the Competent Authority of that Contracting Party notifies the Competent Authority of the other Contracting Party in writing, within six months from the date of the entry into force of such laws or regulations, that no such extension to the Agreement is intended.

Article 3

Personal Scope

This Agreement shall apply to any person who is or who has been subject to the legislation of either Contracting Party and to the dependents and survivors of such a person within the meaning of the applicable legislation of either Contracting Party.

Article 4

Equality of Treatment

1. Unless otherwise provided in this Agreement, any person described in Article 3 whose residence is in the territory of either Contracting Party shall, in the application of the legislation of the Contracting Party regarding the eligibility for and the payment of benefits, receive equal treatment with nationals of that Contracting Party. The foregoing shall also apply to the dependents and survivors who reside in the territory of either Contracting Party with respect to their rights derived from the persons specified in this Article.
2. Unless otherwise provided in this Agreement, any provision of the legislation of one Contracting Party which requires that entitlement to, or the payment of, benefits is dependent on residence in the territory of that Contracting Party shall not be applicable to persons who reside in the territory of the other Contracting Party.

Article 5

Export of Benefits

1. Unless otherwise provided in this Agreement, benefits under the legislation of one Contracting Party shall not be subject to any reduction, modification, suspension, withdrawal or confiscation by reason of the fact that the recipient resides or stays in the territory of the other Contracting Party, and the benefits shall be payable in the territory of the other Contracting Party.
2. Benefits under the legislation of one Contracting Party shall be granted to nationals of the other Contracting Party who reside in the territory of a third State under the same conditions as they are granted to nationals of the first Contracting

Party who reside in the territory of the third State.

PART II
APPLICABLE LEGISLATION

Article 6
General Provisions

1. Employed persons who work in the territory of one Contracting Party, with respect to that work, shall be subject to the legislation of that Contracting Party, even if they reside in the territory of the other Contracting Party, or if the registered office of their employer is in the territory of the other Contracting Party.
2. Persons who are self-employed in the territory of one Contracting Party, with respect to their activities, shall be subject to the legislation of that Contracting Party, even if they reside in the territory of the other Contracting Party.
3. Persons who are employed or self-employed in the territories of both Contracting Parties shall be subject only to the legislation of the Contracting Party in whose territory they ordinarily reside.
4. Persons who are employed in one Contracting Party and self-employed in the other Contracting Party shall be subject to the legislation of the first Contracting Party.

Article 7
Exceptions to General Provisions

1. A person who is subject to the legislation of one Contracting Party and who is posted to pursue an activity on behalf of his/her employer in the territory of the other Contracting Party shall remain subject only to the legislation of the first Contracting Party, provided that the anticipated duration of such activity does not exceed 60 months, if he/she remains employed with the same employer. This paragraph shall also apply to a person who is subject to the legislation of one Contracting Party and who is posted to pursue an activity on behalf of his/her employer to the employer's

affiliated or subsidiary company in the territory of the other Contracting Party.

2. A person who normally pursues an activity as a self-employed person in one Contracting Party and who goes to pursue a similar activity in the other Contracting Party shall continue to be subject to the legislation of the first Contracting Party, provided that the anticipated duration of such activity does not exceed 60 months.

3. In case such an activity continues beyond the period specified in paragraphs 1 and 2 of this Article, the legislation of the first Contracting Party referred to in those paragraphs shall continue to apply by mutual consent between the Competent Authorities or Competent Institutions of both Contracting Parties for a maximum period of 24 months.

Article 8

Personnel of International Transport Undertakings

1. A person who is a member of traveling or flight crew employed by an undertaking which operates international transport services for passengers or goods by road, rail, air or waterways and which has its registered office in the territory of one Contracting Party shall be subject to the legislation of that Contracting Party.

2. Notwithstanding paragraph 1 of this Article, a person employed by a subsidiary or representation, established in the territory of the other Contracting Party, of the undertaking referred to in paragraph 1 of this Article shall be subject to the legislation of the Contracting Party in whose territory such subsidiary or representation is established.

Article 9

Mariners

A person who resides in the territory of one Contracting Party and who is employed on board a vessel flying the flag of the other Contracting Party shall be subject to the legislation of the first Contracting Party.

Article 10

Members of Diplomatic Missions and Consular Posts, and Civil Servants

1. Nothing in this Agreement shall affect the provisions of the Vienna Convention on Diplomatic Relations of April 18, 1961, or of the Vienna Convention on Consular Relations of April 24, 1963.
2. Subject to paragraph 1 of this Article, a person employed by government service or any other public service of a Contracting Party, who is sent to work in the territory of the other Contracting Party, shall be subject to the legislation of the first Contracting Party as if he or she were employed in its territory.

Article 11

Other Exceptions

The Competent Authorities or Competent Institutions of the Contracting Parties may, upon the joint request of an employed person and his/her employer or upon the request of a self-employed person, agree to grant an exception to Articles 6 to 9 of this Agreement, with respect to particular persons or categories of persons.

PART III

PROVISIONS ON BENEFITS

Article 12

Totalization of Periods of Insurance

1. When periods of insurance have been completed under the legislation of both Contracting Parties, the Competent Institution of each Contracting Party shall, in determining eligibility for benefits under the legislation which it applies, take into account, if necessary, periods of insurance under the legislation of the other Contracting Party, provided that such periods of insurance do not overlap with periods of insurance under its own legislation.
2. If the legislation of one Contracting Party subordinates the granting of certain benefits to the condition that the periods of insurance are to be completed in a given

occupation, only periods of insurance completed or recognized as equivalent in the same occupation under the legislation of other Contracting Party shall be totalized for admission to entitlement to these pensions.

3. If a person is not entitled to a benefit on the basis of the periods of insurance completed under the legislation of both Contracting Parties even after they are totalized according to paragraphs 1 and 2 of this Article, the right to the said benefit is to be determined by totalizing those periods with the periods of insurance completed under the legislation of a third State with whom both Contracting Parties are bound by social security instruments which provide for the totalization of periods of insurance, provided that such periods of insurance do not overlap with periods of insurance under the legislation of both Contracting Parties.

Article 13

Period of Insurance less than 12 Months

1. If the period of insurance completed under the legislation of one Contracting Party amounts to less than 12 months, no benefit under the legislation of that Contracting Party shall be granted. However, the foregoing shall not apply if there is entitlement to a benefit only on the basis of that period of insurance.

2. Notwithstanding paragraph 1 of this Article, periods of insurance mentioned in paragraph 1 of this Article shall be taken into account by the Competent Institution of the other Contracting Party for the acquisition of the entitlement to a benefit under the legislation of that Contracting Party, as if these periods had been completed under the legislation of that Contracting Party.

Article 14

Calculation of Benefits

The calculation of benefits shall be determined by the applicable legislation of the respective Contracting Party unless otherwise provided in this Agreement.

Article 15

Special Provisions relating to Croatia

1. If a person qualifies for a benefit under the Croatian legislation without the application of Article 12 of this Agreement, the Competent Institution of Croatia shall calculate the amount of the benefit solely based on the Croatian period of insurance.
2. If a person qualifies for a benefit under the Croatian legislation only by application of the totalization provisions contained in Article 12 of this Agreement, the Competent Institution of Croatia shall calculate the amount of the benefit according to the Croatian legislation.
3. If the amount of the benefit under the Croatian legislation would be more favourable for the beneficiary or if it cannot be calculated according to paragraph 2 of this Article, the Competent Institution of Croatia shall calculate it in the following way:
 - (a) the Competent Institution shall first calculate a theoretical amount of benefit which would be payable if all totalized periods of insurance were completed under the Croatian legislation;
 - (b) on the basis of the theoretical amount as provided in sub-paragraph (a) of this paragraph, it shall then calculate the actual amount of the benefit which is payable according to the ratio of the period of insurance completed under the Croatian legislation and the totalized periods of insurance. If all totalized periods of insurance are longer than the longest period of insurance provided by the Croatian legislation for the calculation of the maximum benefit, the Competent Institution shall determine the real amount of benefit in relation to the longest period of insurance;
 - (c) for the calculation of the benefit the Competent Institution shall take into consideration the amount of the earnings or insurance base exclusively based on the Croatian legislation.
4. If a pension benefit is granted solely in accordance with paragraph 3 of Article 12 of this Agreement, periods of insurance completed according to the legislation of the third State referred to in that paragraph shall be taken into consideration for the application of paragraph 3 of this Article.

Article 16

Special Provisions relating to Korea

1. Where periods of insurance under the Croatian legislation are taken into account to establish eligibility for benefits under the Korean legislation in accordance with paragraph 1 of Article 12, the benefit due shall be determined as follows:

- (a) the Competent Institution of Korea shall first compute a benefit amount equal to the amount that would have been payable to the person if all the periods of insurance taken into account under the legislation of the two Contracting Parties had been completed under the Korean legislation. To determine the benefit amount, the Competent Institution of Korea shall take into account the person's average standard monthly income while covered under the Korean legislation;
- (b) the Competent Institution of Korea shall calculate the partial benefit to be paid in accordance with the Korean legislation based on the benefit amount calculated according to sub-paragraph (a), in proportion to the ratio between the duration of the periods of insurance taken into consideration under its own legislation and the total duration of the periods of insurance taken into consideration under the legislation of the two Contracting Parties.

2. Where the conditions required for the entitlement to a benefit are satisfied only after the application of paragraph 3 of Article 12, the periods of insurance completed under the legislation of the third State referred to in that paragraph shall be considered for the application of paragraph 1 of this Article.

3. Where paragraph 1 of this Article applies, only the number of months of each calendar year of period of insurance completed under the Croatian legislation shall be considered as the period of insurance under the Croatian legislation.

4. The default period, meaning the period during which the contributions were imposed but not paid, to be considered for determining the eligibility for disability or survivor benefits shall include only the default period under the Korean legislation.

5. Lump-sum refunds shall be granted to nationals of Croatia under the same conditions as they are granted to Korean nationals. Notwithstanding Articles 4 and 5 of this Agreement, lump-sum refunds shall be paid to the nationals of a third State

only in accordance with the Korean legislation.

PART IV
MISCELLANEOUS PROVISIONS

Article 17

Administrative Arrangement

1. The Competent Authorities of the Contracting Parties shall conclude an Administrative Arrangement that sets out the measures necessary for the implementation of this Agreement.
2. The Liaison Bodies and Competent Institutions of each Contracting Party shall be designated in the Administrative Arrangement.

Article 18

Exchange of Information and Mutual Assistance

1. The Competent Authorities, Competent Institutions and Liaison Bodies of both Contracting Parties shall cooperate by:
 - (a) mutually notifying each other about all information requisite for the implementation of this Agreement, to the extent permitted by the legislation which they administer;
 - (b) mutually providing services and assistance with respect to the determination of entitlement to, and payment of, all benefits under this Agreement or under the legislation to which this Agreement applies, as if applying their own national legislation;
 - (c) notifying each other about the measures taken with the purpose of implementing this Agreement or about the changes in their national legislation, if such changes affect the implementation of this Agreement.
2. The services and assistance referred to in sub-paragraph (b) of paragraph 1 of this Article shall be provided free of charge, subject to any exceptions to be agreed upon in the Administrative Arrangement concluded pursuant to paragraph 1 of Article 17.

Article 19
Data Protection

1. Personal data delivered under this Agreement to the Competent Authority, Competent Institution or Liaison Body of one Contracting Party by the Competent Authority, Competent Institution or Liaison Body of the other Contracting Party shall be deemed as confidential and shall be used only for the implementation of this Agreement and the legislation to which this Agreement applies. Such data received by the Competent Authority, Competent Institution or Liaison Body of one Contracting Party shall be governed by the legislation of that Contracting Party.

2. Notwithstanding the legislation or administrative practices of one Contracting Party, no data which one Contracting Party receives from the other Contracting Party shall be delivered or provided to a third State or any other organization in the territory of one Contracting Party without the prior written consent of the other Contracting Party.

Article 20
Exemption from Fees and Certification of Documents

1. Where the legislation of a Contracting Party provides that any documents or certificates which are submitted to the Competent Authority or Competent Institution of that Contracting Party shall be exempted, wholly or partly, from fees or charges, including consular fees and administrative costs, the exemption shall also apply to corresponding documents or certificates which are submitted to the Competent Authority or Competent Institution of the other Contracting Party in the application of this Agreement or of the legislation of the other Contracting Party.

2. Documents and certificates which are presented by the Competent Authority or Competent Institution of either Contracting Party for the application of this Agreement or of the legislation of the other Contracting Party shall be exempted from the requirements for authentication by diplomatic or consular authorities or any other similar formalities.

3. Copies of documents or certificates which are certified as true and exact copies by the Competent Authority or Competent Institution of one Contracting Party shall be accepted as true and exact copies by the Competent Authority or Competent Institution of the other Contracting Party, without further certification.

Article 21

Language of Communication

1. The Competent Authorities, Competent Institutions and Liaison Bodies of the Contracting Parties may correspond directly with one another as well as with any person, wherever that person may reside, whenever it is necessary to do so for the application of this Agreement or of the legislation to which this Agreement applies. The correspondence may be made in any official language of either Contracting Party or in the English language.

2. An application or document may not be rejected by the Competent Authority or Competent Institution of a Contracting Party solely because it is in an official language of the other Contracting Party.

Article 22

Submission of Claims, Notices or Appeals

1. Any claim, notice or appeal concerning the determination or payment of a benefit under the legislation of a Contracting Party which should, for the purposes of that legislation, have been filed within a prescribed period with the Competent Authority or Competent Institution of that Contracting Party, but which is instead filed within the same period to the Competent Authority or Competent Institution of the other Contracting Party, shall be considered to have been filed on time with the Competent Authority or Competent Institution of the first Contracting Party.

2. If, after the entry into force of this Agreement, a person files a written application for benefits with the Competent Institution of a Contracting Party under the legislation of that Contracting Party, the application shall be deemed to be also an application for corresponding benefits under the legislation of the other Contracting

Party, provided that the person informs the Competent Institution of the first Contracting Party that the periods of insurance have been completed under the legislation of the other Contracting Party. However, the foregoing shall not apply if the applicant explicitly requests that the application be restricted to benefits under the legislation of the first Contracting Party.

3. In all cases subject to paragraph 1 or 2 of this Article, the Competent Authority or Competent Institution receiving a claim, notice or appeal shall indicate the date of receipt of the document and forward such claim, notice or appeal to the Competent Authority or Competent Institution of the other Contracting Party without delay.

Article 23

Payment of Benefits

1. The Competent Institution of a Contracting Party responsible for paying a benefit according to this Agreement may pay the benefit in the currency of that Contracting Party.

2. If a beneficiary resides in the territory of the other Contracting Party, the benefit mentioned in paragraph 1 of this Article, upon the request of the beneficiary, shall be paid in freely convertible currency.

3. In the event that a Contracting Party imposes currency controls or other similar measures that restrict payments, remittance or transfers of funds or financial instruments to persons who are outside the territory of that Contracting Party, it shall, without delay, take appropriate measures to ensure the payment of any amount that must be paid in accordance with this Agreement to the persons described in Article 3.

Article 24

Resolution of Disagreements

1. Any disagreement regarding the interpretation of this Agreement shall be resolved by consultation between the Contracting Parties.

2. Any disagreement regarding the application of this Agreement shall be resolved by

consultation between the Competent Authorities of the Contracting Parties.

PART V
TRANSITIONAL AND FINAL PROVISIONS

Article 25
Transitional Provisions

1. This Agreement shall not establish any right to receive a benefit for any period before the date of the entry into force of this Agreement.
2. Any period of insurance completed before the date of the entry into force of this Agreement, and any other relevant events that occurred before that date, shall be taken into consideration in determining the entitlement to a benefit under this Agreement. However, neither Competent Institution of a Contracting Party shall be required to take into account periods of insurance which occurred prior to the earliest date for which periods of insurance may be credited under its legislation.
3. Decisions concerning entitlement to benefits which were made before the entry into force of this Agreement shall not affect rights arising under it.
4. Benefits determined before the entry into force of this Agreement may be newly determined upon application if a change in such benefits results solely from the provisions of this Agreement, unless those benefits have been granted in the form of a lump-sum payment. The application of this Agreement shall not result in any reduction in the amount of benefits to which entitlement was established prior to the entry into force of this Agreement.
5. In applying Article 7 in case of persons who were posted to a Contracting Party prior to the date of the entry into force of this Agreement, the periods of posting referred to in that Article shall be considered to begin on the date of the entry into force of this Agreement.
6. The provisions of Part III shall apply only to benefits for which an application is filed on or after the date this Agreement enters into force.

Article 26
Entry into Force

This Agreement shall enter into force on the first day of the third month following the month in which each Contracting Party has received from the other Contracting Party written notification that it has complied with all requirements for the entry into force of this Agreement.

Article 27
Period of Duration and Termination

1. This Agreement shall remain in force for an indefinite period.
2. This Agreement may be terminated by either Contracting Party giving written notice of its termination to the other Contracting Party. In such a case, the Agreement shall cease to be in force on the last day of the twelfth month following the month in which the notice was received by the other Contracting Party.
3. If this Agreement is terminated in accordance with paragraph 2 of this Article, it shall continue to have effect in relation to any person who:
 - (a) at the date of termination, is in receipt of benefits, or
 - (b) prior to the expiry of the period referred to in paragraph 2, has lodged a claim for and would be entitled to receive benefits.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed this Agreement.

DONE in duplicate at Seoul, on the 18th day of December, 2018, in the Korean, Croatian, and English languages, all texts being equally authentic.

In case of any divergence of interpretation, the English text shall prevail.

FOR THE REPUBLIC OF KOREA

FOR THE REPUBLIC OF CROATIA