AGREEMENT ON SOCIAL INSURANCE BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KOREA AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA

The Government of the Republic of Korea and the Government of the People's Republic of China,

Aiming to develop the friendly relations between the Republic of Korea and the People's Republic of China (hereinafter referred to as "Contracting States") and,

Being desirous of furthering their mutual cooperation in the field of social insurance,

Have agreed as follows:

Article 1 Definitions

- 1. For the purpose of this Agreement:
 - (a) "legislation" means, as regards the Republic of Korea, laws and regulations specified in item (a) of paragraph 1 of Article 2 of this Agreement, and as regards the People's Republic of China, the laws, administrative, ministerial and local rules and regulations and other legal documents concerning the social insurance systems covered by the scope of this Agreement (item (b) of paragraph 1 of Article 2):
 - (b) "Competent Authority" means, as regards the Republic of Korea, the Ministry of Health and Welfare, and as regards the People's Republic of China, the Ministry of Human Resources and Social Security;
 - (c) "Agency" means, as regards the Republic of Korea, the National Pension Service, and as regards the People's Republic of China, the Social Insurance Administration of the Ministry of Human Resources and Social Security or other bodies designated by the said Ministry;
 - (d) "territory" means, as regards the Republic of Korea, the territory of the Republic of Korea, and as regards the People's Republic of China, the territory to which the Social Insurance Law of the People's Republic of China and relevant laws and regulations apply;
 - (e) "national" means, as regards the Republic of Korea, a national of the Republic of Korea as defined in the Nationality Law, and as regards the People's Republic of China, any individual possessing the nationality of the People's Republic of China.
- 2. Any term not defined in this Article shall have the meaning assigned to it in the applicable legislation of the respective Contracting State.

Article 2 Scope of Legislation

- 1. This Agreement shall apply to the legislation related to the following social insurance schemes:
 - (a) As regards the Republic of Korea,
 - (i) National Pension
 - (ii) Government Employees Pension
 - (iii) Pension for Private School Teachers and Staff
 - (iv) Employment Insurance
 - (b) As regards the People's Republic of China,
 - (i) Basic Old-Age Insurance for Urban Employees
 - (ii) New Rural Social Old-Age Insurance
 - (iii) Social Old-Age Insurance for Urban Residents
 - (iv) Unemployment Insurance.
- 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 State and a third State, or legislation promulgated for their specific implementation.

Article 3 Compulsory Coverage of Employees

Except as otherwise provided in this Agreement, an employed person who works in the territory of one Contracting State shall, with respect to that work, be subject only to the legislation of that Contracting State.

Article 4 Detached Persons

- 1. Where a person who is employed in the territory of one Contracting State by an employer with a place of business in that territory is sent by that employer to the territory of the other Contracting State in the context of that employment to perform services there for that employer, only the legislation on compulsory coverage of the first Contracting State shall continue to apply with regard to that employment during the first 60 calendar months as though the employee were still employed in the territory of the first Contracting State.
- 2. In case the detachment continues beyond the period specified in paragraph 1 of this Article, the legislation of the first Contracting State referred to in that paragraph shall continue to apply provided that the Competent Authorities or Agencies of the Contracting States agree. The procedures and duration for that continued application shall be stated in the Administrative Arrangement.

Short-Term Employees

When a national of one Contracting State who temporarily resides in the territory of the other Contracting State and is employed by an employer with a place of business in the other Contracting State works for that employer in the territory of the other Contracting State, only the legislation of the first Contracting State shall continue to apply during that employment provided that he or she is subject to the legislation of the first Contracting State and the duration for that employment shall not exceed 60 calendar months.

Article 6 Self-employed Persons and Investors

- 1. Where a national of one Contracting State ordinarily resides in the territory of one Contracting State and is temporarily self-employed in the territory of the other Contracting State, only the legislation of the first Contracting State shall continue to apply during that self-employment, provided that the person is subject to the legislation of that Contracting State.
- 2. Where a national of one Contracting State who invests and registers a wholly foreign-owned business or a joint venture in the territory of the other Contracting State in accordance with the relevant laws and regulations of the other Contracting State, resides in the territory of the other Contracting State and takes a post in that wholly foreign-owned business or joint venture, only the legislation of the first Contracting State shall continue to apply during the period of his or her duty in that post, provided that he or she is subject to the legislation of the first Contracting State.

Article 7 Employees on Board Sea-going Vessels and Aircraft

- 1. A person who is employed on board a sea-going vessel flying the flag of either Contracting State shall be subject to the legislation on compulsory coverage of that Contracting State. However, where a person who ordinarily resides in the territory of one Contracting State is employed on board a sea-going vessel flying the flag of the other Contracting State, the legislation of the first Contracting State shall apply to this person with regard to compulsory coverage as though the person were employed in the territory of the first Contracting State.
- 2. A person who is employed as an officer or a member of the crew of an aircraft shall, in respect of that employment, be subject to the legislation of the Contracting State in the territory of which the enterprise by which he or she is employed has its head office. If, however, the enterprise has a branch or representation in the territory of the other Contracting State, such a person employed by that branch or representation shall be subject to the legislation of the Contracting State in the territory of which the branch or representation is located.

Members of Diplomatic Missions and Consular Posts

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.

Article 9 Persons Employed by the Government or Other Public Employer

Where a person who is employed by the central or local Government Service, or any other Public Service of one Contracting State is sent to work in the territory of the other Contracting State, the legislation of the first Contracting State shall apply to him/ or her as if he or she were employed in that territory.

Article 10 Exceptions

The Competent Authorities or the Agencies of both Contracting States may agree to grant an exception of Articles 3 to 9, with respect to particular persons or groups of persons provided that any affected person shall be subject to the legislation on compulsory coverage of one Contracting State.

Article 11 Implementing Arrangements

- 1. The Competent Authorities of the Contracting States shall conclude an Administrative Arrangement that sets out the measures necessary for the implementation of this Agreement.
- 2. The Competent Authorities of the Contracting States shall inform each other of any amendments and additions to their legislation which may affect the implementation of this Agreement.
- 3. The Competent Authorities of the Contracting States shall designate the liaison agencies for the implementation of this Agreement:
 - (a) As regards the Republic of Korea, the Division of National Pension Policy, Ministry of Health and Welfare;
 - (b) As regards the People's Republic of China, the Department of International Cooperation, Ministry of Human Resources and Social Security.

Article 12 Exchange of Information and Mutual Assistance

Responding to the written request, the Competent Authorities or the Agencies of the Contracting States shall provide each other, to the extent permitted by their respective legislation, with any information and mutual assistance for the implementation of this

Article 13 Issue of Certificate

- 1. In the circumstances described in Articles 4 to 7, 9 and 10 of this Agreement, the Agency of the Contracting State whose legislation is applied shall, upon request, issue a certificate in respect of the relevant employment stating that the employee is subject to that legislation. In the circumstances described in Articles 4, 5 and 10 of this Agreement, the certificate must include information on the period for which it is valid.
- 2. Where the legislation of the Republic of Korea is to be applied, the certificate shall be issued by the National Pension Service.
- 3. Where the legislation of the People's Republic of China is to be applied, the certificate shall be issued by the Social Insurance Administration of the Ministry of Human Resources and Social Security or other bodies designated by the said Ministry.

Article 14 Confidentiality of Information

Disclosure of information received by one Contracting State shall only be permissible upon prior consent of the other Contracting State. Information about an individual which is transmitted in accordance with this Agreement to the Competent Authority or Agency of one Contracting State by the Competent Authority or Agency of the other Contracting State shall be used confidentially and exclusively for purposes of implementing this Agreement. Such information received by a Competent Authority or Agency of a Contracting State shall be governed by the national statutes of that Contracting State for the protection of privacy and confidentiality of personal data. Following use, storage and discard of such information received by a Competent Authority or Agency of a Contracting State shall be governed by the law for the protection of privacy of that Contracting State.

Article 15 Language of Communication and Authentication

- 1. In implementing this Agreement, the Competent Authorities and Agencies of the Contracting States may communicate with each other in their official languages.
- 2. Documents shall not be rejected by the Competent Authority and Agency of one Contracting State solely because they are in an official language of the other Contracting State.
- 3. Documents, especially certificates, to be submitted in application of this Agreement shall be exempted from the requirements for any authentication or any other similar formality.

Article 16 Settlement of Disputes

Disputes between the Contracting States regarding interpretation or application of this Agreement shall be settled through negotiations and consultations between the Competent Authorities or Agencies of the Contracting States. If disputes are not resolved within a certain period of time, they shall be settled through diplomatic channels.

Article 17 Entry into Force

Both Contracting States shall notify each other in writing that they have completed the internal legal procedures necessary for the entry into force of this Agreement. The Agreement shall enter into force upon the thirtieth day of receiving of the latter note.

Article 18 Period of Duration and Termination

- 1. This Agreement shall be concluded for an indefinite period of time and remain in force and effect until the last day of the twelfth month in which written notice of its termination is given by either Contracting State to the other Contracting State.
- 2. The Agreement on the Provisional Measures for the Mutual Exemption of Pension Coverage, concluded between the Government of the Republic of Korea and the Government of the People's Republic of China on February 28, 2003, through the exchange of Notes, is terminated on the date of entry into force of this Agreement.

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

Done in duplicate at Beijing on October 29, 2012, in Korean, Chinese and English languages, each text being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF FOR THE GOVERNMENT OF

THE REPUBLIC OF KOREA THE PEOPLE'S REPUBLIC OF CHINA

Protocol to the Agreement on Social Insurance between the Government of the Republic of Korea and the Government of the People's Republic of China

At the time of the signing of the Agreement on Social Insurance between the Government of the Republic of Korea and the Government of the People's Republic of China (hereinafter referred to as "the Agreement"), the undersigned of both Contracting States stated that they were in agreement on the following:

With reference to Articles 4, 5, 6, and 9 of the Agreement:

- 1. Except as otherwise provided in the Agreement and this Protocol, nationals of the Republic of Korea working in the territory of the People's Republic of China should participate in social insurances according to the Social Insurance Law of the People's Republic of China and relevant regulations.
- 2. Where a national of the Republic of Korea has been working in the territory of the People's Republic of China and has been covered by a commercial medical insurance contract prior to the date of the Agreement coming into force, a temporary exemption from basic medical insurance contribution in the People's Republic of China shall be granted upon application. The exemption period starts from the date of the Agreement coming into force and the longest exemption period shall not go beyond December 31, 2014. When his or her commercial medical insurance contract expires before December 31, 2014, contribution in the basic medical insurance shall be paid from the date of expiry. After December 31, 2014, all nationals of the Republic of Korea working in the territory of the People's Republic of China must participate in the basic medical insurance for employees in the People's Republic of China and pay basic medical insurance contribution.
- 3. Where a national of the Republic of Korea has been working in the territory of the People's Republic of China and was not covered by any commercial medical insurance contract prior to the date of the Agreement coming into force, he or she must participate in the basic medical insurance for employees in the People's Republic of China and shall not be exempted from basic medical insurance contribution.
- 4. The procedure of application for temporary exemption from basic medical insurance contribution by the nationals of the Republic of Korea working in the People's Republic of China shall be otherwise specified.
- 5. For nationals of the People's Republic of China who work in the territory of the Republic of Korea, this Protocol shall not affect their status for participation in the National Health Insurance of the Republic of Korea.
- 6. This Protocol shall come into force on the date of the entry into force of the Agreement and shall expire on December 31, 2014.
- 7. This Protocol constitutes an integral part of the Agreement.

Done in duplicate at Beijing, on October 29, 2012, in Korean, Chinese and English

languages, each text being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF FOR THE GOVERNMENT OF

THE REPUBLIC OF KOREA THE PEOPLE'S REPUBLIC OF CHINA