

AGREEMENT - Bulgaria

Between the State of Israel and the Republic of Bulgaria on Social Security

The Government of the State of Israel and
the Government of the Republic of Bulgaria

being desirous of regulating the relationship between the two States in the field of Social Security have agreed as follows:

PART I - General Provisions

Article 1 - Definitions

1. For the purpose of this Agreement:

- a) "Contracting Parties" means the State of Israel and the Republic of Bulgaria, hereinafter referred to as Israel and Bulgaria;
- b) "Legislation" means, in relation to Israel, the laws, decrees and regulations, and in relation to Bulgaria, the laws and the secondary legislation, relative to the Social Security systems of the Contracting Parties specified in Article 2 of this Agreement;
- c) "Competent Authority" means: in relation to the State of Israel: the Minister of Social Affairs and Services, in relation to the Republic of Bulgaria: the Minister of Labour and Social Policy and the Minister of Health;
- d) "Institution" means the authority or institution responsible for implementing the legislation specified in Article 2 of this Agreement;
- e) "Competent Institution" means the institution which is responsible for providing benefits under the applicable legislation;
- f) "Benefit" means any payment in cash, or other benefit under the legislation defined in Article 2 of this Agreement including any additional amount, increase or supplement payable in addition to that benefit under the legislation of a Contracting Party, unless otherwise specified in this Agreement;
- g) "Period of Insurance" means a period of employment or self-employment, or contributions or residence, as defined or recognized as a period of insurance in the legislation under which such period has been or is deemed to have been completed, or any similar period in so far as it is recognized in the legislation of a Contracting Party as equivalent to a period of insurance;

- h) “Residence” means: in relation to Israel, habitual residence, which is lawfully established; and, in relation to Bulgaria, permanent residence under the Law on Foreigners in the Republic of Bulgaria;
 - i) “Stay” means temporary sojourn;
 - j) “Family member” means: The persons defined or recognized as such by the legislation applied by the competent institution.
2. Other words and expressions used in this Agreement shall have the meanings respectively assigned to them in the legislation applied.

Article 2 - Applicable Legislation

1. This Agreement shall apply to the legislation :

A. In relation to Israel: the National Insurance Law (Consolidated version) 5755-1995 insofar as it applies to the following branches of insurance:

- a) Old age and survivors’ insurance;
- b) Invalidity insurance
- c) Work injury insurance;
- d) maternity insurance;

B. In relation to Bulgaria: the Social Insurance Code insofar as it applies to the following branches of insurance:

- a) old age and survivors’_insurance;
- b) invalidity insurance;
- c) work accident and occupational disease insurance;
- d) maternity insurance, and

the Law on Health and the Health Insurance Act insofar as it applies to medical care in case of work accident and occupational disease and hospitalization in case of childbirth.

2. Unless otherwise indicated in paragraph 4 of this Article, this Agreement shall also apply to future legislation codifying, replacing, amending or complementing the legislation referred to in paragraph 1 of this Article.

3. With the entry into force of this Agreement, the Competent Authorities shall notify each other of their legislation in the fields of Social Security referred to in paragraph 1. Henceforth, before the end of February of each year, the Competent Authorities shall

notify each other of the amendments to the legislation passed during the previous calendar year.

4. This Agreement shall not apply to legislation which extends the application of the legislation specified in paragraph 1 of this Article to new groups of beneficiaries, if the Competent Authority of the Contracting Party concerned so decides and gives notice to that effect in connection with the annual notification referred to in paragraph 3 of this Article.

5. This Agreement shall not apply to legislation introducing a new branch or a new scheme of social security.

Article 3 Personal Scope

Unless otherwise provided this Agreement shall apply to all persons who are or have been subject to the legislation referred to in Article 2 of this Agreement, as well as to family members and survivors of such persons.

Article 4 - Equal Treatment

Unless otherwise provided in this Agreement, the following persons shall, while residing in the territory of either Contracting Party, have the same rights and obligations under the legislation of that Contracting Party as its own nationals:

- a) nationals of the other Contracting Party;
- b) refugees, as referred to in the Convention relating to the Status of Refugees of 28 July 1951 and the Protocol of 31 January 1967 to that Convention;
- c) stateless persons, as referred to in the Convention relating to the Status of Stateless Persons of 28 September 1954;
- d) family members and survivors of the persons mentioned under subparagraphs a) - c) with regard to rights which they derive from such persons.

Article 5 - Export of Benefits

Unless otherwise provided in this Agreement, pensions and other cash benefits shall not be reduced, modified, suspended or withdrawn because the person resides or stays in the territory of the other Contracting Party.

Part II - Applicable Legislation

Article 6 - General Provisions

Unless otherwise provided in this part

1. A person who is employed in the territory of one of the Contracting Parties shall be subject only to the legislation of that Contracting Party, regardless of the Contracting Party in whose territory he resides or in whose territory the registered office of the employer is located, unless otherwise provided for in this Agreement.
2. A person employed in the territory of both Contracting Parties shall be subject to the legislation of the Contracting Party in the territory of which he resides.
3. A person who is self-employed in the territory of one or both Contracting Parties and who is a resident of one of the Contracting Parties shall be subject to the legislation of the Contracting Party in which he resides. Such person shall be treated as if he exercised all his professional activities in the territory of the Contracting Party to whose legislation he is subject.
4. Persons who are not gainfully occupied are subject to the legislation of the Contracting Party in whose territory they reside, unless otherwise provided for in this Agreement.
5. This Agreement does not affect the provisions of the Vienna Convention on Diplomatic Relations or the general principles of customary international law regarding consular privileges and immunities with respect to the legislation specified in paragraph 1 of Article 2.
6. Civil servants and persons treated as such and persons employed by a public institution of the Contracting Party shall be subject to the legislation of the Contracting Party in whose administration they are employed, provided that they were subject to the legislation of that Contracting Party prior to the employment.

Article 7 - Special Provisions

1. A person who:
 - a) is employed by an employer whose registered place of business is in the territory of a Contracting Party,
 - b) is covered under the legislation of that Contracting Party, and
 - c) is sent to work in the territory of the other Contracting Party for the same employer for a period not exceeding 24 monthsshall continue to be subject to the legislation of the former Contracting Party as if he continued to be resident and employed in the territory of that Contracting Party.

2. If the posting period referred to under Paragraph 1, Subparagraph c) of this Article continues beyond 24 months, the competent authorities or the competent institutions of the two Contracting Parties may agree that the employee remains subject only to the legislation of the first Contracting Party for a new additional period not longer than three years.

3.. The travelling personnel of a transport undertaking or of an airline operating in the territories of both Contracting Parties shall be subject to the legislation of the Contracting Party in whose territory the undertaking has its registered place of business. If, however, the employee is resident in the territory of the other Contracting Party, the legislation of that Contracting Party shall apply.

4.. A person employed on board a vessel flying the flag of a Contracting Party shall be subject to the legislation of that Contracting Party provided that the employer's registered place of business is situated in the territory of the Contracting Party. The above mentioned applies also when a vessel flies the flag of a third country but has a crew paid by an undertaking having its registered place of business in one of the Contracting Parties or by a person resident in one of the Contracting Parties.

Article 8 - Exceptions to Articles 6 and 7

The Competent Authorities or the bodies authorized by them may agree in writing on exceptions to the provisions of Articles 6 and 7 regarding certain persons or categories of persons.

Article 9 - Applications of Articles 6 - 8 to Family Members

1. Family members accompanying the person referred to in Article 6, paragraph 6 and living with him, are subject to the legislation of the same Contracting Party as that person.

2. Family members accompanying the employee referred to in Article 7, paragraph 1 and living with him, are subject to the legislation of the same Contracting Party as the employee.

3. When agreeing on the exceptions under Article 8 to the provisions of Articles 6 and 7, the persons accompanying the employee and living with him are subject to the legislation of the same Contracting Party in regard to which the exception has been agreed upon.

4. The provisions of paragraphs 1, 2 and 3 shall not apply, if the family member is subject to the legislation of the other Contracting Party on the basis of his own employment.

Article 10 - Insurance Contributions

The insurance contributions concerning a person covered by this Agreement shall be payable according to the legislation of the Contracting Party to which he is subject according to this Agreement.

PART III - Special Provisions Concerning the Various Categories of Benefits

Chapter 1 - Old Age, Invalidity and Survivors' Pensions

Article 11 - Provision of Pensions

Unless otherwise provided in this Agreement, when providing pensions on the basis of this Agreement, the Competent Institutions of the Contracting Parties shall apply their respective legislation.

Article 12 - Periods of Insurance of Less than Twelve Months

Where the total duration of the periods of insurance completed under the legislation of one of the Contracting Parties is less than twelve months and where, on the basis solely of those periods, no right of benefit exists under that legislation, the institution of the Party concerned shall not be bound to grant a benefit in respect of the said periods.

Application of Israeli Legislation

Article 13 - Old Age and Survivors' Benefits

1. When a national of a Contracting Party or a person designated in Article 4 b)-d) of the Agreement has been insured in Israel but does not have sufficient Israeli periods of insurance for entitlement to an old age or survivors' pension, periods of insurance completed under the legislation of Bulgaria shall be taken into account as far as they do not overlap with Israeli periods of insurance. The Israeli competent institution shall take into account only periods of insurance completed under the legislation of Bulgaria after 1 April 1954.
2. If the beneficiary or his survivor qualifies for the benefit when periods of insurance completed under the legislation of both Contracting Parties are added together, the Israeli competent institution shall determine the benefit as follows:
 - a) The Israeli benefit which is payable to a person who has completed the qualifying periods of insurance according to Israeli legislation shall be taken into account as a theoretical sum.

- b) On the basis of the above theoretical sum the competent institution shall calculate the partial benefit payable according to the ratio between the length of Israeli periods of insurance which the person has completed under the legislation of Israel and the total of all insurance periods completed by him under the legislation of both Contracting Parties.
3. The right to an old age pension shall be conditional upon the beneficiary having been a resident of Israel or of Bulgaria immediately prior to attaining the age entitling him to an old age pension.
 4. The right to a survivors' pension shall be conditional upon the beneficiary and the deceased having been residents of Israel or of Bulgaria at the time of death, or the deceased having received an old age pension immediately before his death.
 5. Vocational training and subsistence allowance for widows and orphans are payable to persons designated in paragraph 1 only if they reside in Israel and for as long as they are actually present in Israel.
 6. Funeral grant shall not be payable in respect of a person who died outside Israel and who was not a resident of Israel on the day of his death.

Article 14 - Invalidity Benefits

1. A person covered by this Agreement shall be entitled to an invalidity benefit if he has been insured as a resident in Israel immediately prior to becoming an invalid.
2. Special services for handicapped, subsistence allowances for handicapped children of an insured person, professional rehabilitation for a handicapped person, vocational training and a subsistence allowance for his spouse are payable to such a person as mentioned above provided he is resident in Israel and for as long as he is actually present in Israel .
3. A person covered by this Agreement who resides outside Israel and is entitled to an Israeli invalidity pension shall continue to receive the pension that he was awarded even if there is an increase in the degree of his invalidity, as a result of an aggravation of his invalidity or the addition of a further cause of invalidity arising abroad.

of the Legislation of Bulgaria Application

Article 15 - Old Age and Survivors' Pensions

- 1.If periods of insurance completed in Bulgaria are sufficient for the right to pension, without taking into account the periods of insurance completed under the

Israeli legislation, the amount of the pension shall be determined according to the Bulgarian legislation for the periods of insurance completed in Bulgaria.

2.If periods of insurance completed in Bulgaria are insufficient for the right to pension, the Bulgarian institution shall take into account, to the extent necessary, the periods of insurance completed under the Israeli legislation, in so far as they do not overlap.

3.The amount of the pension shall be determined according to the Bulgarian legislation for periods of insurance completed in Bulgaria and according to the income on which insurance contributions have been paid during these periods.

Article 16 - Invalidity Pensions

1.The provisions of Article 15, Paragraphs 1 and 2 shall be applied by analogy for the acquisition, retention or restoration of the right to an invalidity pension.

2.If the right to an invalidity pension is acquired on the basis of aggregation of insurance periods, completed in both Contracting Parties, pursuant to Article 15, Paragraph 2, the amount of the pension shall be determined by applying Article 15, Paragraph 3.

3.When determining the amount of an invalidity pension, the insurance period recognized for the time between the occurrence of invalidity and the date of acquiring the right to an old-age pension under the Bulgarian legislation shall be reduced by the length of insurance periods acquired under the Israeli legislation after the date of occurrence of invalidity.

Chapter 2 - Occupational Diseases and Work Accidents

Article 17

The right to benefits due to an accident at work shall be determined according to the legislation applying to the beneficiary at the time of the accident, as provided in Articles 6-8.

Article 18 - Granting of Occupational Disease Benefits

1. When a person who has contracted an occupational disease has, under the legislation of both contracting parties, pursued an activity which by its nature is likely to cause that disease, the benefits that he or his survivors may claim shall be awarded exclusively in accordance with the legislation of the Party under which the activity was last pursued.

2. However, if he is not entitled to benefits in accordance with the legislation of the contracting Party under which the activity was last pursued, the application will be transmitted by the institution of this Party to the competent institution of

the other contracting Party, which will examine the application under his legislation.

3. However, in cases where the disease in question is manifestly attributable to an activity of the said nature under the legislation of the other Contracting Party, only the legislation of the latter Party shall be applied.

Article 19

In the event of aggravation of an occupational disease for which a person has received or is receiving benefit under the legislation of a Contracting Party, the following rules shall apply:

a) If the person concerned has not, while in receipt of benefits, been engaged in an occupation under the legislation of the other Contracting Party likely to cause or aggravate the disease in question, the Competent Institution of the first Contracting Party shall meet the cost of the benefits under the provisions of the legislation which it administers taking into account the aggravation;

b) If the person concerned, while in receipt of benefits, has pursued such an activity under the legislation of the other Contracting Party, the Competent Institution of the first Contracting Party shall meet the cost of the benefits under the legislation which it administers without taking the aggravation into account. The Competent Institution of the second Contracting Party shall grant a supplement to the person concerned, the amount of which shall be equal to the difference between the amount of benefits due after aggravation and the amount which would have been due prior to the aggravation under the legislation which it administers if the disease in question had occurred under the legislation of that Contracting Party.

Article 20

If the legislation of a Contracting Party explicitly or implicitly provides that previous work accidents or occupational diseases be taken into consideration when determining the degree of invalidity, the competent institution of that Contracting Party shall also take into consideration previous work accidents or occupational diseases sustained while under the legislation of the other Contracting Party, as if the legislation of the first Contracting Party had been applicable.

Article 21

1. When a person who is insured under the legislation of a Contracting Party requires urgent medical care as a consequence of a work accident or occupational disease occurring in the territory of the other Contracting Party, such care shall be provided by that Contracting Party.

2. The cost of the urgent care provided in accordance with Paragraph 1 shall be borne by the institution in the territory of the Contracting Party where the work accident or the occupational disease has occurred.

Chapter 3 - Maternity Benefits

Article 22 - Aggregation of Periods of Insurance

1. If the legislation of either Contracting Party makes entitlement to benefits conditional upon the completion of periods of insurance, the competent institution shall take account, to the extent necessary, of periods of insurance completed under the legislation of the other Contracting Party, insofar as they do not overlap, as if they were periods of insurance completed under the legislation of the first Party.
2. When calculating the benefit in accordance with paragraph 1, only income accrued under the legislation of the Contracting Party which pays the benefit shall be taken into account.

Article 23 - Provision of Maternity Benefits

1. Maternity benefits shall be provided according to the legislation of the Contracting Party to whose legislation the insured person is subject at the time of the confinement or adoption.
2. The costs for hospitalization in case of confinement shall be borne by the institution in the territory of the Contracting Party where the confinement has taken place.

PART IV - Miscellaneous Provisions

Article 24 - Administrative Arrangement and Information Exchange

The competent authorities shall:

- a) Agree on the procedure for the implementation of this Agreement by means of an Administrative Arrangement;
- b) Exchange information concerning measures taken for the application of this Agreement;
- c) Exchange information concerning all changes in their respective legislation which may affect the application of this Agreement;
- d) Designate liaison bodies to facilitate and accelerate the implementation of this Agreement by means of the Administrative Arrangement.

Article 25 - Administrative Assistance

1. The competent authorities and institutions of the Contracting Parties shall assist each other in implementing this Agreement as if they were enforcing their own laws. This Administrative Assistance shall be free of charge, unless the Competent Authorities otherwise agree on reimbursement of certain costs.
2. The authorities and institutions of the Contracting Parties may communicate directly with each other and with the persons concerned or with their representatives.

Article 26 - Data Protection

Any data pertaining to individual persons which in the course of the application of this Agreement are transmitted by one Contracting Party to the other shall be confidential and used exclusively for determining the entitlement to benefits under this Agreement which are specified in the request for information or related to them. All exchange of data between the Contracting Parties shall be subject to the legislation of both Contracting Parties.

Article 27 - Exemption from Taxes, Charges and Authentication

1. When the legislation of a Contracting Party provides that any claim or document is exempt, wholly or partly, from taxes, stamp duties, fees for court proceedings or registration fees, as far as the application of the legislation of that Contracting Party is concerned, the exemption shall be extended to apply also to claims and documents which are submitted under the legislation of the other Contracting Party to this Agreement.
2. Documents and certificates which are presented for purposes of this Agreement shall be exempt from authentication by diplomatic or consular authorities.

Article 28 - Submission of Claims

1. Claims, notifications and appeals submitted to the competent institution of one Contracting Party shall be deemed to have been submitted to the Competent Institution of the other Contracting Party on the same date.
2. A claim for a benefit payable under the legislation of one Contracting Party shall be deemed to be a claim for the corresponding benefit payable under the legislation of the other Contracting Party, provided that the claim concerned is sent without delay to the Competent Institution of the other Contracting Party.
3. When, under the legislation of a Contracting Party, an additional amount is payable because of delay in processing a claim for a pension or other benefit, the

claim shall, for purposes of applying the provisions of the legislation concerning such an additional amount, be deemed to have been presented on the date when that claim, along with all necessary enclosures, has been received by the Competent Institution of that Contracting Party.

Article 29 - Enforcement of Decisions

1. Enforceable decisions by a tribunal of one Contracting Party, as well as enforceable documents issued by the authority or institution of one Contracting Party in respect of social insurance contributions and other claims, shall be recognized in the territory of the other Contracting Party.
2. The recognition may be refused only when it would be incompatible with the legal principles of the Contracting Party where the recognition is sought.
3. Enforceable decisions and documents recognized under paragraph 1 of this Article shall be enforced in the territory of the other Contracting Party. The enforcement procedure shall be in compliance with the legislation of the Contracting Party where it takes place, insofar as such legislation governs the enforcement of such decisions and documents in the territory of that Contracting Party.

Article 30 - Claims for Recovery

1. If the institution of a Contracting Party has paid a beneficiary a sum exceeding the entitlement of that beneficiary, the institution may, within the scope and terms of the applicable legislation, request the institution of the other Contracting Party to withhold a sum equivalent to the sum paid in excess from any sum payable by the latter institution to the beneficiary. Such withholding by that institution shall be in compliance with the scope and terms of the applicable legislation as if reclaiming an excess sum paid by that institution itself. The institution shall transmit the sum it has withheld to the requesting institution.
2. If the institution of a Contracting Party has made advance payments for a period during which the beneficiary was entitled to benefits under the legislation of the other Contracting Party, this institution may request the institution of the other Contracting Party to withhold a sum equivalent to that advance from benefits payable by that institution to the beneficiary for the same period. Such withholding by that institution shall be in compliance with the scope and terms of the applicable laws, and the sum withheld shall be transmitted to the requesting institution.

Article 31 - Languages Used in the Application

The Competent Authorities and institutions of the Contracting Parties may in application of this Agreement use the official languages of the Contracting Parties or the

English language, as specified in the Administrative Arrangement referred to in subparagraph a) of Article 24.

Article 32 - Currency and Method of Payment

1. Payment of any benefit in accordance with this Agreement may be made in the currency of the Contracting Party whose Competent Institution makes the payment.
2. If provisions designed to restrict the exchange or exportation of currencies are introduced by either Contracting Party, the competent institutions of both Contracting Parties shall immediately take measures necessary to insure the transfer of sums payable under this Agreement.
3. When a beneficiary in the territory of one Contracting Party is receiving benefits under the legislation of the other Contracting Party, they shall be payable directly to the beneficiary by whatever method the Competent Institution of the latter Contracting Party deems appropriate.

Article 33 - Settlements of Disputes

1. Disputes which arise in interpreting or applying this Agreement shall be resolved, to the extent possible, by the competent authorities.
2. Should the competent authorities be unable to resolve such disputes, pursuant to Paragraph 1, the contracting parties shall endeavor to do so by negotiations through diplomatic channels.

PART V - Transitional and Final Provisions

Article 34 - Application of This Agreement to Periods of Time Preceding Its Entry into Force

1. This Agreement shall not confer any rights to payment of benefit for any period prior to the date of entry into force of this Agreement.
2. When determining the right to benefits under this Agreement, any period of insurance completed prior to the entry into force of this Agreement shall be taken into account.
3. This Agreement may be applied even to contingencies that occurred prior to the entry into force of this Agreement.
4. Benefits granted prior to the entry into force of this Agreement may, upon application by the beneficiary, be determined to comply with the provisions of this Agreement. Such re-determination shall not result in any reduction in the amount of a benefit.

5. Any benefit which has not been awarded or which has been suspended by reason of the nationality of the person concerned or his residence in the territory of the other Contracting Party shall, on the application of that person, be awarded or resumed in accordance with this Agreement with effect from the date of entry into force of this Agreement, provided that the rights previously determined have not given rise to a lump-sum payment.

6. If the application referred to in Paragraphs 4 and 5 of this Article is submitted within two years of the date of entry into force of this Agreement, the rights under this Agreement shall be acquired as from that date. If the application referred to in Paragraphs 4 and 5 of this Article is submitted after the expiration of the two year period following the date of entry into force of this Agreement, rights which have not been forfeited or are not barred by limitation shall be acquired as from the date on which the application was submitted, except when more favorable provisions of the legislation of any of the Contracting Parties apply.

Article 35 - Validity and Denunciation of the Agreement

1. This Agreement shall remain in force for an indefinite period.
2. Either Contracting Party may at any time denounce this Agreement. Such denunciation shall enter into force on the 31st of December after at least 12 months following the date of its notification in writing to the other Contracting Party through diplomatic channels.
3. If this Agreement is terminated, any right to benefits acquired in accordance with this Agreement shall be maintained.

Article 36 - Entry into Force

This Agreement shall enter into force on the first day of the third month following the month in which the Contracting Parties have notified each other in writing through diplomatic channels that all the required national legal formalities for the entry into force of this Agreement have been accomplished.

In witness thereof the undersigned, being duly authorized thereto, have signed the present Agreement.

Done at on....., which corresponds to..... in two original alternates in Hebrew, Bulgarian and English languages, each text being equally authentic. In case of divergence of interpretation, the English text shall prevail.

For the Government of For the Government of
the State of Israel the Republic of Bulgaria