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The text is now being made public.

Title: DRAFT WORKING TEXT FOR A SOCIAL SECURITY COORDINATION AGREEMENT BETWEEN THE UNITED KINGDOM AND THE EUROPEAN UNION AND ITS MEMBER STATES

Disclaimer:

The UK proposes the following legal text to form the basis for discussions with the EU on a social security coordination agreement. In putting forward this proposal, the UK reserves the right to amend, supplement or withdraw proposals in the light of negotiations and the proposals put forward by the European Union.

The general and final provisions in this text, including appropriate exemptions may require further adjustment or amendment in light of the negotiations. The UK proposal has taken account of relevant international precedents.

The UK recalls that it acts in these negotiations on behalf of all the territories for whose international relations it is responsible and in negotiating this draft agreement the UK Government will seek outcomes which support the territories' security and economic interests, reflecting their unique characteristics. The UK reserves its position on the application of these principles to the draft text.

This draft text is being shared by the UK negotiating team with the Task Force for Relations with the United Kingdom as a draft negotiating document. As agreed in the Terms of Reference, the receiving party should not share this material outside of negotiating teams without the consent of the sending party.

AGREEMENT ON SOCIAL SECURITY COORDINATION BETWEEN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE EUROPEAN UNION AND ITS MEMBER STATES

CHAPTER 1

GENERAL PROVISIONS

ARTICLE 1

Definitions

For the purposes of this Agreement the following definitions shall apply:

“civil servant” means a person considered to be such or treated as such by the Party to which the administration employing that person is subject;

“competence”, in relation to a Party, means responsibility for payment of a particular benefit under the legislation it applies to a person who:

- (a) is insured in that Party in relation to a benefit of that type, at the time of their claim for it; or
- (b) would be entitled to such benefit if they (or a member of their family or survivor, where relevant) resided in that Party,

and the word “competent” shall be construed accordingly;

“competent authority” means, in respect of each Party, the Minister, Ministers or other equivalent authority responsible for matters covered by this Agreement throughout or in any part of the Party in question;

“competent institution” means:

- (a) the institution with which the person concerned is insured at the time of the application for old age pension; or
- (b) the institution from which the person concerned is or would be entitled to old age pension if they resided in the Party in which the institution is situated; or
- (c) the institution designated by the competent authority of the Party concerned;

“competent state” means the Party in which the competent institution is situated;

“employed person” means a person who, under the applicable legislation, comes within the definition of an employed earner or of an employed person, or is treated as such and the words “person is employed” shall be construed accordingly;

“employment” means employment as an employed person and the words “employ”, “employed” or “employer” shall be construed accordingly;

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“legislation” means, in respect of each Party, the laws, regulations and other statutory provisions and all other implementing measures relating to:

- (a) the payment of social security contributions;
- (b) old age pension;
- (c) healthcare;

as superseded, amended, replaced, supplemented or consolidated from time to time;

“member of the family” means:

- (a) in relation to the United Kingdom, the spouse, civil partner, former spouse or former civil partner as recognised by the legislation under which old age pension is provided;
- (b) in relation to the Member States, [...];

“old age pension” means, in relation to:

- (a) the United Kingdom:
 - (i) Category A or Category B retirement pension under Part 2 of the Social Security Contributions and Benefits Act 1992;
 - (ii) Category D retirement pension under Part 3 of the Social Security Contributions and Benefits Act 1992;
 - (iii) State Pension under Part 1 of the Pensions Act 2014;
 - (iv) Category A or Category B retirement pension under Part 2 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;
 - (v) Category D retirement pension under Part 3 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992; or
 - (vi) State Pension under Part 1 of the Pensions Act (Northern Ireland) 2015.
- (b) the Member States, the pensions listed in Annex A in respect of each Member State;

“Parties” means the United Kingdom on the one part and the Union and its Member States, or the Union or any of its Member States where the context requires on the other Part (and hereinafter each a “Party”);

“pensioner” means a person who is receiving an old age pension;

“registered office or place of business” means the registered office or place of business where the essential decisions of an undertaking are adopted and where the functions of its central administration are carried out;

“residence” means the place where a person habitually resides, and the words “reside” and “resident” shall be construed accordingly;

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“self-employed person” means a person who, under the applicable legislation, comes within the definition of a self-employed earner or of a self-employed person or is treated as such, and the words “person is self-employed” shall be construed accordingly;

“travelling personnel” means a person who is a member of the travelling or flying personnel of an undertaking which, for hire or reward or on its own account, operates international transport services for passengers or goods by rail, road, air or inland waterway.

Other words and expressions which are used in this Agreement have the meanings respectively assigned to them in the legislation concerned.

ARTICLE 2

Persons covered

1. This Agreement shall apply to:
 - (a) persons who are, or have been, subject to the legislation of one or more Party;
 - (b) a member of the family of a person falling within sub-paragraph (a) but only to the extent that such a person is entitled to a right under Chapter 3 of this Agreement.
2. This Agreement shall not apply to persons whose situations are confined in all respects to either the United Kingdom, or to the Member States.

ARTICLE 3

Territorial application

[...]

CHAPTER 2

PROVISIONS WHICH DETERMINE LEGISLATION APPLICABLE CONCERNING CONTRIBUTION LIABILITY

ARTICLE 4

General rules

1. A person shall be subject to the legislation of a single Party which shall be determined in accordance with this Chapter.
2. Subject to Articles 5 to 12:

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- (a) a person employed or self-employed in the territory of a Party shall be subject to the legislation of that Party;
- (b) a civil servant shall be subject to the legislation of the Party to which the administration employing that person is subject;
- (c) any other person to whom sub-paragraphs (a) and (b) do not apply shall be subject to the legislation of the Party in whose territory they reside.

ARTICLE 5

Travelling personnel

Subject to Article 6, the following provisions shall apply to any person employed as a member of the travelling personnel of an undertaking engaged in the transport of passengers or goods whether for another undertaking or on its own account:

- (a) subject to sub-paragraphs (b) and (c), where a person is employed by an undertaking which has its principal place of business in the territory of one Party, they shall be subject to the legislation of that Party as if they were employed in its territory even if they are employed in the territory of the other Party;
- (b) subject to sub-paragraph (c), where the undertaking has a branch or agency in the territory of one Party and a person is employed by that branch or agency, they shall be subject to the legislation of that Party;
- (c) where a person is resident in the territory of one Party and is employed wholly or mainly in that territory, they shall be subject to the legislation of that Party, even if the undertaking which employs them does not have a place of business or branch or any agency in that territory.

ARTICLE 6

Mariners and others on board a ship or vessel

1. Subject to paragraphs 2 to 4, where a person is employed on board any ship or vessel of one Party, they shall be subject to the legislation of that Party provided that they are resident in the territory of one of the Parties.
2. Where a person who is resident in the territory of one Party and employed on board any ship or vessel of the other Party is paid remuneration in respect of that employment by a person who is resident in, or by an undertaking having a place of business in, the territory of the first Party, they shall be subject only to the legislation of the first Party as if the ship or vessel were a ship or vessel of the first Party, and the person or undertaking by whom the remuneration is paid shall be treated as the employer for the purpose of such legislation.
3. Where a person who is subject to the legislation of one Party and employed either in the territory of that Party or on board any ship or vessel of that Party, is sent by their employer in the territory of that Party to work on board a ship or vessel of the other Party, they shall continue to be subject only to the legislation of the first Party provided that their employment on board the ship or vessel of

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the latter Party is not expected to last for a period of more than 24 months. Where their employment on board the ship or vessel of the latter Party continues after such period of 24 months, they shall continue to be subject only to the legislation of the first Party for any further period of not more than 24 months, provided that the competent authority of the latter Party agrees thereto before the end of the first period of 24 months.

4. Where a person who is not normally employed at sea is employed other than as a member of the crew, on board a ship or vessel of one Party, in the territorial waters of, or at a port of, the other Party, they shall be subject only to the legislation of the Party in whose territory they are resident.

ARTICLE 7

Detached workers

1. A person who is employed in a Party by an employer with a place of business there and who is sent by that employer to the other Party to perform work on that employer's behalf shall continue to be subject to the legislation of the first Party, provided that:
 - (a) the anticipated duration of such work does not exceed 24 months; and
 - (b) they are not sent to replace another detached worker.
2. A person who is normally self-employed in a Party who goes to pursue a similar activity in the other Party shall continue to be subject to the legislation of the first Party, provided that the anticipated duration of such activity does not exceed 24 months.

ARTICLE 8

Pursuit of activities in both Parties

1. A person who is normally employed in both Parties shall be subject to the legislation of the Party in whose territory they reside, if they pursue a substantial part of their employment there.
2. Where a person does not pursue a substantial part of the employment described in paragraph 1 in the Party in whose territory they reside, the legislation applicable to that person shall be determined as follows:
 - (a) if the person is employed by one or more employers, all of which have their principal place of business in one Party, they shall be subject to the legislation of that Party;
 - (b) if the person is employed by two or more employers which have their principal place of business in both the United Kingdom and a Member State, one of which is the Party of residence, they shall be subject to the legislation of the other Party;

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- (c) if the person is employed by two or more employers, at least two of which have their principal place of business in the Party other than that of residence, they shall be subject to the legislation of the Party of residence; or
 - (d) if the person is employed by one or more employers, none of which have a principal place of business in a Party, they shall be subject to the legislation of the Party of residence.
3. A person who is normally self-employed in both Parties shall be subject to:
- (a) the legislation of the Party of residence, if they pursue a substantial part of their self-employment there; or
 - (b) the legislation of the Party in which the centre of interest of their activities is situated, if they do not reside in the Party in which they pursue a substantial part of their self-employment.
4. A person who is normally employed and self-employed in both Parties shall be subject to the legislation of the Party in which they are employed or, if they are employed in both Parties, to the legislation determined in accordance with paragraph 1.
5. A person who is employed as a civil servant by a Party and who is employed and/or self-employed in the other Party shall be subject to the legislation of the first Party.

ARTICLE 9

Pursuit of activities in two or more Member States

1. A person who is normally employed or self-employed in two or more Member States (and not in the United Kingdom) shall not be subject to the legislation of the United Kingdom.
2. By way of exception to paragraph 1, a person within that paragraph shall be subject to the legislation of the United Kingdom in the cases described in paragraphs 3 and 4.
3. Where a person is normally employed in two or more Member States, but without performing a substantial part of that employment in the Member State of residence, they shall be subject to the legislation of the United Kingdom if they:
- (a) are employed by one or more employers, all of which have their principal place of business in the United Kingdom;
 - (b) reside in a Member State and are employed by two or more employers, all of which have their principal place of business in a Party, and at least one of which has its principal place of business in each Party;
 - (c) reside in the United Kingdom and are employed by two or more employers, at least two of which have their principal place of business in different Member States;

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- (d) reside in the United Kingdom and are employed by one or more employers, none of which have a principal place of business in a Party.
4. A person who is normally self-employed in two or more Member States, without performing a substantial part of that self-employment in the Member State of residence, shall be subject to the legislation of the United Kingdom, if the centre of interest of their activity is situated in the United Kingdom.
5. Paragraph 4 shall not apply in the case of a person who is normally employed and self-employed person in two or more Member States.

ARTICLE 10

Voluntary contributions

Where, but for this Chapter, a person would be entitled to pay contributions voluntarily under the legislation of both Parties for the same period, they shall be entitled to pay contributions only under the legislation of one Party according to their choice.

ARTICLE 11

Treated as resident

Where a person is subject to the legislation of a Party under this Chapter, that legislation shall apply to them as if they were resident in that Party, where this is not otherwise the case.

ARTICLE 12

Exceptions to the provisions of Articles 7 to 11

The Parties, the competent authorities of those Parties or the bodies designated by these authorities may by common agreement provide for exceptions to Articles 7 to 11 in the interest of certain persons or categories of persons.

ARTICLE 13

Obligations of the employer

Where a person is subject to the legislation of a Party under this Chapter, that legislation shall apply to their employer as if the employer had its principal place of business in that Party.

CHAPTER 3

OLD AGE PENSION PROVISIONS

ARTICLE 14

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Matters covered

This Chapter applies to the legislation of the Parties concerning old age pensions.

ARTICLE 15

Equality of treatment - old age pensions

For the purposes of matters covered by this Chapter only, a person who is subject to the legislation of a Party shall enjoy the same rights and be subject to the same obligations under that legislation as the nationals of that Party.

ARTICLE 16

Aggregation provisions

1. A competent institution of a Party shall, to the extent necessary, take into account equivalent periods of insurance, employment, self-employment or residence completed under the legislation of any other relevant Party as though they were completed under its own legislation.
2. Paragraph 1 shall not apply if the legislation of a Party does not make entitlement to an old age pension conditional upon the completion of insurance periods, and periods of employment, self-employment or residence.

ARTICLE 17

Provision for the export of old age pensions

1. A person who would be entitled to receive an old age pension under the legislation of one Party if they were in the territory of that Party shall be entitled to receive that old age pension whilst they are in the territory of another Party, as if they were in the territory of the former Party.
2. Where, under the legislation of one Party, an increase of any old age pension would be payable to a person if they were in the territory of that Party, it shall be payable while they are in the territory of another Party.
3. Such old age pension shall not be subject to any reduction, amendment, suspension, withdrawal or confiscation in such circumstances.

ARTICLE 18

Old age pensions - general provisions

1. Where a person has been subject to the legislation of more than one Party, each Party shall determine whether that person satisfies the conditions for entitlement to old age pension under its legislation when it receives the person's claim for such pension, unless the person has expressly requested deferment of the award of old age pension under the legislation of that Party.

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2. Where the person satisfies the conditions for entitlement to old age pension under the legislation of more than one Party to which they have been subject, the competent institution of each Party shall calculate the person's entitlement to such old age pension in accordance with Article 19.
3. Where the person satisfies the conditions for entitlement to an old age pension under the legislation of at least one Party but does not simultaneously satisfy or no longer satisfies such conditions under the legislation of any other Party (or Parties), or has expressly requested deferment of such award, the competent institution of the Party shall calculate their entitlement to the old age pension in accordance with paragraph 4 and Article 19.
4. Where paragraph 3 applies, when performing the calculation in Article 19, the competent institution of the Party shall not take into account insurance periods completed under the legislation of any other relevant Party (or Parties) where this gives rise to a lower amount of old-age pension.
5. As and when, under the legislation of any other Party or Parties, the person subsequently:
 - (a) satisfies the entitlement conditions for old age pension; or
 - (b) makes a claim for old age pension following deferment of it in accordance with paragraph 1;

the relevant competent institutions shall calculate the person's entitlement to such pension under their respective legislation in accordance with Article 19. Such calculations shall not take into account insurance periods which have already been taken into account by virtue of paragraphs 3 and 4.

ARTICLE 19

Old age pensions - calculation and award

1. Subject to paragraph 4 and Articles 20 to 22, the competent institution of the relevant Party shall calculate the amount of old-age pension that would be due to be paid to a person:
 - (a) under the legislation it applies, where the person has satisfied the conditions for entitlement to the old-age pension exclusively on the basis of all the relevant insurance periods completed under the legislation of that Party (the "independent amount"); and
 - (b) on a pro rata basis, as follows (the "pro rata amount"):
 - (i) firstly, calculating the amount of old age pension which would be payable by that Party as if all the relevant insurance periods completed by the person under the legislation of all relevant Parties had been completed under the legislation which it applies on the date of award of the benefit (the "theoretical amount");
 - (ii) then, expressing the relevant insurance periods completed by the person under the legislation of that Party as a percentage of the sum

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of all relevant insurance periods completed by that person under the legislation of all relevant Parties;

- (iii) lastly, by multiplying the theoretical amount by the percentage calculated under paragraph (ii) above.
2. Where appropriate, the relevant Party shall apply, to the independent amount or the pro rata amount, all the rules relating to reduction, suspension or withdrawal under the legislation it applies.
3. The person concerned shall be entitled to receive from the competent institution of each relevant Party the higher of the independent amount and the pro rata amount.
4. Where in a relevant Party the independent calculation results in the independent amount being equal to or higher than the pro rata amount, the competent institution of that Party shall waive the pro rata calculation provided that:
 - (a) such a situation is identified in Annex A as an instance where the pro rata calculation shall be waived or shall not apply;
 - (b) Article 25 is not applicable in relation to periods completed under the legislation of another relevant Party.
5. Any increase of old age pension payable because of deferred retirement shall be based on the pro rata amount calculated in accordance with paragraph 1(b).

ARTICLE 20

Insurance periods to be taken into account

For the purpose of applying Article 19, a Party shall take into account only insurance periods (completed under its legislation or the legislation of another Party) which would be taken into account for the determination of old age pensions under its legislation if they were completed under its legislation, and shall, where appropriate, take into account in accordance with its legislation insurance periods completed by a member of the family, as the case may be.

ARTICLE 21

Overlapping contribution periods

For the purpose of applying Article 19:

- (a) where a compulsory contribution period or credited period completed under the legislation of a Party coincides with a voluntary contribution period or continued optional contribution period completed under the legislation of any other relevant Party, only the compulsory contribution period or credited period shall be taken into account;
- (b) where a compulsory contribution period completed under the legislation of a Party coincides with a credited period completed under the legislation of any

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- other relevant Party, only the compulsory contribution period completed under the legislation of the former Party shall be taken into account;
- (c) where a credited period completed under the legislation of a Party coincides with a credited period completed under the legislation of any other relevant Party, account shall be taken only of the credited period completed:
- (i) under the legislation under which the person was last compulsorily insured before the day when the periods in question began; or
 - (ii) if they were never compulsorily insured before that day, under the legislation under which they first became compulsorily insured after the day when the periods in question ended;
- (d) where it is not possible to determine accurately the period of time in which certain insurance periods were completed under the legislation of a Party, such insurance periods shall be treated as if they did not overlap with insurance periods completed under the legislation of another relevant Party and shall be taken into account where possible and to the best advantage of the person concerned;
- (e) subject to paragraph f, where periods of voluntary or optional continued insurance have not been taken into account under this Article, the Party under whose legislation those periods were completed shall, where possible, calculate the amount of old age pension to which the person concerned would be entitled, on the basis of those periods under the legislation it applies. The pro-rata amount of the old age pension payable to the person, calculated in accordance with Article 19.1, shall be increased by the amount corresponding to periods of voluntary or optional continued insurance;
- (f) each Party shall calculate, under the legislation it applies, the amount of old age pension to which the person concerned is entitled, on the basis of periods of voluntary or optional continued insurance which shall not be subject to each relevant Party's respective rules relating to withdrawal, reduction or suspension.

ARTICLE 22

Matters to be excluded

1. For the purpose of applying Article 19 no account shall be taken of the benefits specified in paragraph 2 and payable to the person concerned under the legislation of the relevant Party, but any such benefit shall be added to the amount of any benefit payable under that legislation in accordance with Article 19.3.
2. The specified benefits referred to in paragraph 1 are:
 - (a) in relation to the United Kingdom:
 - (i) any additional pension;
 - (ii) any graduated retirement benefit payable by virtue of any graduated contributions paid before 6 April 1975;

(b) in relation to Member States see Annex A.

ARTICLE 23

Old age pensions - additional provisions for calculations

1. The following rules shall apply when calculating the theoretical and pro rata amounts referred to in Article 19.1(b):
 - (a) where the total length of the periods of insurance and/or residence completed before the risk materialised under the legislation of the relevant Parties is longer than the maximum period required by the legislation of one of the Parties for receipt of full benefit, the competent institution of that Party shall take into account this maximum period instead of the total length of the periods completed;
 - (b) the method of calculation at sub-paragraph (a) shall not:
 - (i) result in the imposition on that institution of the cost of an old age pension greater than the full old age pension provided for under the legislation it applies;
 - (ii) apply to old age pensions the amount of which does not depend on the length of insurance;
 - (c) if the legislation of a Party provides that the old age pension is to be calculated on the basis of incomes, contributions, bases of contributions, increases, earnings, other amounts or a combination of more than one of them (average, proportional, fixed or credited), the competent institution shall:
 - (i) determine the basis for calculation of the old age pension in accordance only with periods of insurance completed under the legislation it applies;
 - (ii) use, in order to determine the amount to be calculated in accordance with the periods of insurance and/or residence completed under the legislation of the other relevant Parties, the same elements determined or recorded for the periods of insurance completed under the legislation it applies;where necessary in accordance with the procedures laid down at paragraph 3 to 5, and Article 24.
 - (d) where sub-paragraph (c) does not apply because the legislation of a Party provides for the old age pension to be calculated on the basis of elements other than periods of insurance or residence which are not linked to time, the competent institution shall take into account, in respect of each period of insurance or residence completed under the legislation of any other relevant Party, the amount of the capital accrued, the capital which is considered as having been accrued or any other element for the calculation under the legislation it administers divided by the corresponding units of periods in the old age pension scheme concerned.

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2. The provisions of the legislation of a Party concerning the revalorisation of the elements taken into account for the calculation of benefits shall apply, as appropriate, to the elements to be taken into account by the competent institution of that Party, in accordance with paragraph 1, in respect of the periods of insurance or residence completed under the legislation of other relevant Parties.
3. Where, in accordance with United Kingdom legislation, a person may be entitled to an old age pension if:
 - (a) the contributions of a member of the family are taken into account as if they were that person's own contributions; or
 - (b) the relevant contribution conditions are satisfied by a member of the family of that person,then provided, in each case, that the member of the family is or had been exercising an activity as an employed or self-employed person, and had been subject to the legislation of the United Kingdom and one or more Member States, the provisions under this Chapter shall apply in order to determine entitlement under United Kingdom legislation.
4. In cases referred to at paragraph 3, references in this Chapter to "periods of insurance" shall be construed as references to periods of insurance completed by:
 - (a) a spouse or former spouse where a claim is made by:
 - (i) a married woman; or
 - (ii) a person whose marriage has terminated otherwise than by the death of the spouse; or
 - (b) a former spouse, where a claim is made by:
 - (i) a widower who immediately before pensionable age is not entitled to widowed parent's allowance; or
 - (ii) a widow who immediately before pensionable age is not entitled to widowed mother's allowance, widowed parent's allowance or widow's pension, or who is entitled only to an age-related widow's pension calculated pursuant to Article 19.1(b) of this Agreement, and for this purpose "age-related widow's pension" means a widow's pension payable at a reduced rate in accordance with section 39(4) of the Social Security Contributions and Benefits Act 1992.
5. For the purposes of Article 17 any beneficiary under United Kingdom legislation who is staying in the territory of another Party shall, during that stay, be considered as if they resided in the territory of that other Party.

ARTICLE 24

Conversion formulae for contributions

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1. For the purpose of calculating entitlement to any old age pension under the legislation of the United Kingdom in accordance with Articles 19 to 23:
 - (a) contribution periods or credited periods completed under the legislation of another relevant Party before 6 April 1975 shall be treated as if they had been contribution periods or credited periods completed under the legislation of the United Kingdom, as the case may be; and
 - (b) contribution periods completed as a self-employed person or credited periods completed under the legislation of another relevant Party after 5 April 1975 shall be treated as if they had been contribution periods completed as a self-employed person or credited periods completed under the legislation of the United Kingdom, as the case may be.
2. Subject to paragraph 3, for the purpose of calculating an earnings factor in order to determine a person's entitlement to old age pension under the legislation of the United Kingdom in accordance with Articles 19 to 23, for each week or part of a week which is a contribution period completed as an employed person under the legislation of another Party, and which commenced during a relevant income tax year commencing on or after 6 April 1975 within the meaning of the legislation of the United Kingdom, such person shall be treated as having paid contributions as an employed earner on earnings equivalent to two-thirds of that year's upper earnings limit.
3. For the purpose of calculating entitlement to additional pension under the legislation of the United Kingdom, no account shall be taken of any contribution period completed under the legislation of another Party.
4. For the purposes of the calculation in Article 19.1, where:
 - (a) in any income tax year commencing on or after 6 April 1975, an employed person has completed insurance periods exclusively in another relevant Party and the application of paragraph 2 results in that year being a qualifying year under the legislation of the United Kingdom, that person shall be deemed to have been insured for fifty-two weeks in that year;
 - (b) any income tax year commencing on or after 6 April 1975 does not count as a qualifying year under the legislation of the United Kingdom, any insurance periods completed in that year shall be disregarded.
5. In relation to the United Kingdom, for the purpose of determining the minimum number of qualifying years for entitlement to a state pension under section 2 or 4 of the Pensions Act 2014, each contribution period or credited period completed under the legislation of another relevant Party shall be treated as a contribution period or credited period completed under the legislation of the United Kingdom, as the case may be.
6. For the purpose of calculating entitlement to any old age pension under the legislation of another Party in accordance with Articles 19 to 23, see Annex A.

ARTICLE 25

Old age pensions - minimum period rule

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1. Despite Article 19.1(b), the competent institution of a relevant Party is exempt from providing an old age pension in relation to periods completed under its legislation, if:
 - (a) the period is less than one year; and
 - (b) based on this period alone, there is no right to an old age pension under that legislation.

However, such periods shall be taken into account, for the purposes of calculating the theoretical amount at Article 19.1(b)(i).
2. The exemption at paragraph 1 shall not apply if it results in all competent institutions of the relevant Parties being relieved of their obligations. Instead, in such a situation, the old age pension shall be provided exclusively under the legislation of the last of the relevant Parties whose conditions are satisfied, as if all the periods completed and taken into account in accordance with Article 16 had been completed under the legislation of that Party.
3. This Article shall not apply to matters referred to in Article 22.2(a) and (b).

CHAPTER 4

NECESSARY HEALTHCARE

ARTICLE 26

Definitions

For the purposes of this Chapter only:

“healthcare” means healthcare provided under the healthcare legislation of the United Kingdom or Member States;

“stay” means temporary residence;

“Union eligibility document” means a document issued for the purpose of indicating a person’s eligibility for healthcare abroad which:

- (a) is issued by or on behalf of a Member State; and
- (b) satisfies the requirements in Annex B;

“Union eligible person” means a person in respect of whom a valid Union eligibility document has been issued;

“Union insured person” means, in relation to a Member State, a person insured for healthcare under the legislation of that Member State;

“United Kingdom eligibility document” means a document indicating a person’s eligibility for healthcare abroad under the legislation of the United Kingdom which:

- (a) is issued by or on behalf of the United Kingdom; and

DRAFT UK NEGOTIATING DOCUMENT

(b) satisfies the requirements in Annex B;

“United Kingdom eligible person” means a person in respect of whom a valid United Kingdom eligibility document has been issued;

“United Kingdom resident” means a person ordinarily resident in the United Kingdom for healthcare purposes under the legislation of the United Kingdom.

ARTICLE 27

Necessary healthcare in the United Kingdom

The United Kingdom shall afford healthcare to a Union eligible person during a stay by the person in the United Kingdom on terms no less favourable than those that would apply to a United Kingdom resident, where:

- (a) the healthcare is medically necessary, in the opinion of the institution providing the healthcare, having regard to the nature of the healthcare and the expected length of the stay;
- (b) the person did not travel to the United Kingdom for the purpose of receiving that healthcare, unless the person is a passenger or member of the crew on a vessel or aircraft travelling to the United Kingdom and the healthcare became medically necessary during the voyage or flight;
- (c) in a case where the healthcare is listed in Annex B, the person obtained agreement in advance from the institution providing the healthcare; and
- (d) a valid Union eligibility document is produced in respect of the person.

ARTICLE 28

Necessary healthcare in a Member State

A Member State shall afford healthcare to a United Kingdom eligible person during a stay by the person in the Member State on terms no less favourable than those that would apply to a Union insured person, where:

- (a) the healthcare is medically necessary, in the opinion of the institution providing the healthcare, having regard to the nature of the healthcare and the expected length of the stay;
- (b) the person did not travel to the Member State for the purpose of receiving that healthcare, unless the person is a passenger or member of the crew on a vessel or aircraft travelling to the Member State and the healthcare became medically necessary during the voyage or flight;
- (c) in a case where the healthcare is listed in Annex B, the person obtained agreement in advance from the institution providing the healthcare; and
- (d) a valid United Kingdom eligibility document is produced in respect of the person.

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ARTICLE 29

Reimbursement of costs

1. Where the United Kingdom provides healthcare to a Union eligible person under Article 27 the relevant Member State shall reimburse the United Kingdom the costs of that healthcare, apart from charges that would normally be met by a United Kingdom resident.
2. Where a Member State provides healthcare to a United Kingdom eligible person under Article 28 the United Kingdom shall reimburse that Member State the costs of that healthcare, apart from charges that would normally be met by a person who is a Union insured person in relation to that Member State.
3. The costs payable by the Parties under paragraphs 1 and 2 in respect of the healthcare provided shall not exceed the amount the institution providing the healthcare would assess as the costs of that healthcare if it had been provided to a United Kingdom resident or Union insured person in relation to that Member State (as appropriate).
4. The reimbursement of costs shall be determined and made in accordance with the method and arrangements agreed between the United Kingdom and Member States.

CHAPTER 5

FINAL PROVISIONS

ARTICLE 30

Administrative arrangements and mutual assistance

1. The Parties shall establish through the Joint Committee the administrative arrangements necessary for the application of this Agreement and shall comply with those arrangements.
2. The competent authorities of the Parties shall communicate to each other, in a timely manner, all information about the measures taken by them for the application of this Agreement and about changes in their national legislation in so far as these changes affect the application of this Agreement.
3. The competent authorities of the Parties shall assist one another on any matter relating to the application of this Agreement as if the matter were one affecting the application of their own legislation. This assistance shall be free of charge.
4. The competent authorities of the Parties may, for the purposes of this Agreement, communicate directly with one another and with the persons covered by this Agreement or their representatives.
5. The competent authorities shall have a duty of mutual information and co-operation to ensure the correct application of this Agreement. The relevant

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authorities, in accordance with the principle of good administration, shall respond to all queries within a reasonable period of time and shall in this connection provide the persons concerned with any information required for exercising the rights conferred on them by this Agreement.

6. The Parties may, in a particular case, agree procedures or administrative arrangements other than or in addition to those provided for by this Agreement, provided that such procedures do not adversely affect the rights or obligations of any individual or individuals concerned.

ARTICLE 31

Establishment and role of the joint committee

1. A Joint Committee composed of representatives of both Parties shall be established. The Joint Committee shall be co-chaired by a representative of the Government of the United Kingdom and by a Member of the European Commission or their respective designees.
2. The Joint Committee shall be responsible for the implementation and application of the Agreement. It shall take decisions in the circumstances provided for in the Agreement and may issue recommendations. The Joint Committee shall reach its decisions by mutual agreement and they shall be binding on the Parties.
3. In accordance with the procedure in Article 36, the Joint Committee established under this Article may decide to amend:
 - (a) the list of legislation referred to in the definition of legislation in Article 1; and
 - (b) the list of legislation referred to in Annex A.
4. In the event of serious difficulties relating to the application of this Agreement, the Joint Committee shall meet, at the request of either Party, to examine appropriate measures to remedy the situation. The Joint Committee may decide what measures to take within 60 days of the date of the request. This period may be extended by the Joint Committee. The scope and duration of such measures shall not exceed that which is strictly necessary to remedy the situation. Preference shall be given to measures that least disrupt the working of this Agreement.
5. The Joint Committee shall meet as and when necessary and at least once a year. Either Party may request the convening of a meeting. The Joint Committee shall meet within 15 days of a request under paragraph 4 above or such shorter period as may be agreed.
6. The work of the Joint Committee shall be governed by the rules of procedure set out in Annex C.
7. The Joint Committee may decide to set up any working party or group of experts to assist it in the performance of its duties.

ARTICLE 32

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Data sharing

The Parties shall without delay provide or exchange all data necessary for the application, administration or enforcement of this Agreement.

ARTICLE 33

Relationship with other agreements

[...]

ARTICLE 34

No direct effect on persons

1. Nothing in this Agreement shall be construed as conferring rights or imposing obligations on persons nor as permitting this Agreement to be directly invoked in the domestic legal systems of the Parties.
2. A Party shall not provide for a right of action under its national law against the other Party on the ground that a measure of the other Party is inconsistent with this Agreement.

ARTICLE 35

Interpretation

This Agreement shall be interpreted in accordance with the customary rules of public international law, including those in the Vienna Convention on the Law of Treaties.

ARTICLE 36

Amendment

1. This Agreement may be amended by agreement between the Parties.
2. Such amendments shall enter into force on the first day of the second month, or on such later date as may be agreed by the Parties, following the date on which the Parties notify each other that their respective applicable legal requirements and procedures for entry into force of such amendments have been completed. The Parties shall make such notification through an exchange of diplomatic notes.
3. In accordance with the respective domestic legal procedures of the Parties, the Joint Committee may adopt decisions to amend this Agreement in the instances referred to in this Agreement. Notwithstanding paragraph 2, such amendments shall be confirmed by and enter into force upon the exchange of diplomatic notes between the Parties, unless otherwise agreed.

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ARTICLE 37

Dispute Resolution

1. Disagreements between the Parties regarding the interpretation or application of this Agreement shall, as far as possible, be resolved through the agreement of the competent authorities.
2. Where a resolution is not possible under paragraph 1, the Parties may refer to the Joint Committee any dispute relating to the application or interpretation of this Agreement.
3. The Joint Committee may settle the dispute by means of a decision.
4. Each Party shall be bound to take the measures involved in carrying out the decision referred to in paragraph 3.

ARTICLE 38

Integral parts of the agreements

The annexes to this Agreement shall form an integral part of this Agreement.

ARTICLE 39

Entry into force

1. The Parties shall approve this Agreement in accordance with their respective internal requirements and procedures.
2. This Agreement shall enter into force on the first day of the month following the date the Parties exchange written notifications certifying that they have completed their respective internal requirements and procedures or on such other date as the Parties may agree.

ARTICLE 40

Termination

1. This Agreement shall remain in force unless terminated pursuant to paragraph 2.
2. Either Party may notify, in writing, to each other of its intention to terminate this Agreement. The termination shall take effect six months after the date of receipt of the notification by the other Party, unless the Parties otherwise agree.

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ANNEX A

OLD AGE PENSIONS ANNEX

[...]

MEANING OF OLD AGE PENSION

[...]

CASES WHERE THE PRO RATA CALCULATION SHALL BE WAIVED OR NOT
APPLY

[...]

MATTERS TO BE EXCLUDED

[...]

CONVERSION FORMULAE FOR CONTRIBUTIONS

[...]

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ANNEX B

NECESSARY HEALTHCARE ANNEX

[...]

REQUIREMENTS FOR UNITED KINGDOM AND UNION ELIGIBILITY
DOCUMENTS

HEALTHCARE REQUIRING AGREEMENT IN ADVANCE

1. Kidney dialysis;
2. Oxygen therapy;
3. Special asthma treatment;
4. Echocardiography in case of chronic autoimmune diseases;
5. Chemotherapy.

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ANNEX C

JOINT COMMITTEE RULES OF PROCEDURE

[...]