

India's Social Security Agreement with Norway comes into effect

4 February 2015



Background

India had signed a Social Security Agreement (SSA) with Norway on 29 October 2010. The Employees' Provident Fund Organisation (EPFO) has now issued a circular notifying that the SSA between India and Norway has become effective from 1 January 2015.

The India-Norway SSA aims at achieving equality on the principle of reciprocity to benefit the employees posted by their employers to another country.

India has also signed other SSAs with Canada, Japan, Austria, Portugal and Australia, however, the same are yet to come into effect. This is the thirteenth SSA that has become effective between India and other countries. The countries with which India has effective SSAs are mentioned in the following table:

Country	Effective date
Belgium	1 September 2009

Germany	1 October 2009
Switzerland	29 January 2011
Denmark	1 May 2011
Luxembourg	1 June 2011
France	1 July 2011
Republic of Korea	1 November 2011
Netherlands	1 December 2011
Hungary	1 April 2013
Finland	1 August 2014
Sweden	1 August 2014
Czech Republic	1 September 2014
Norway	1 January 2015

Key benefits under the SSA

The SSA between India and Norway envisages the following key benefits:

- **Exemption from social security contribution in the host country**

The employees from one country posted by their employers to the other country on short-term assignments may be exempted from social security contribution in the host country for up to a period of 60 months. However, such exemption can be availed only after obtaining a Certificate of Coverage (COC) from the respective authorised agencies of India and Norway.

- **Totalisation of contributory periods**

The period of service rendered by an employee in both the countries will be added for the purpose of eligibility requirements under the respective social security schemes, subject to certain conditions.

- **Export of benefits**

The benefits acquired under the legislation of one country will be exportable to the other country.

Our comments

The coming into effect of the SSA between India and Norway is a welcome step as it will help in cost savings in international assignments between India and Norway, as well as in the social protection of international assignees. This could lead to increase in economic activity between the two countries.

The actual provisions of the SSA would have to be examined in detail to analyse the benefits, compliances, and regulations laid down by the said SSA. Companies that have inbound assignees to India or outbound assignees to Norway may review their assignment policies to avail benefits under the SSA.



Source: http://www.epfindia.com/Circulars/Y2014-15/IWU_SSA_Norway_36198.pdf

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Ahmedabad

Commerce House V, 9th Floor,
902 & 903, Near Vodafone House,
Corporate Road,
Prahlad Nagar,
Ahmedabad – 380 051
Tel: +91 79 4040 2200
Fax: +91 79 4040 2244

Bengaluru

Maruthi Info-Tech Centre
11-12/1, Inner Ring Road
Koramangala, Bangalore 560 071
Tel: +91 80 3980 6000
Fax: +91 80 3980 6999

Chandigarh

SCO 22-23 (1st Floor)
Sector 8C, Madhya Marg
Chandigarh 160 009
Tel: +91 172 393 5777/781
Fax: +91 172 393 5780

Chennai

No.10, Mahatma Gandhi Road
Nungambakkam
Chennai 600 034
Tel: +91 44 3914 5000
Fax: +91 44 3914 5999

Delhi

Building No.10, 8th Floor
DLF Cyber City, Phase II
Gurgaon, Haryana 122 002
Tel: +91 124 307 4000
Fax: +91 124 254 9101

Hyderabad

8-2-618/2
Reliance Humsafar, 4th Floor
Road No.11, Banjara Hills
Hyderabad 500 034
Tel: +91 40 3046 5000
Fax: +91 40 3046 5299

Kochi

Syama Business Center
3rd Floor, NH By Pass Road,
Vytilla, Kochi – 682019
Tel: +91 484 302 7000
Fax: +91 484 302 7001

Kolkata

Unit No. 603 – 604,
6th Floor, Tower – 1, Godrej
Waterside,
Sector – V, Salt Lake,
Kolkata 700 091
Tel: +91 33 44034000
Fax: +91 33 44034199

Mumbai

Lodha Excelus, Apollo Mills
N. M. Joshi Marg
Mahalaxmi, Mumbai 400 011
Tel: +91 22 3989 6000
Fax: +91 22 3983 6000

Pune

703, Godrej Castlemaine
Bund Garden
Pune 411 001
Tel: +91 20 3050 4000
Fax: +91 20 3050 4010

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