

No. 7147

**UNITED STATES OF AMERICA
and
PHILIPPINES**

Exchange of notes constituting an agreement relating to social security coverage for non-United States citizen employees (with annex). Manila, 23 April 1962 and 30 August 1963

Exchange of notes constituting an agreement concerning the above-mentioned Agreement. Manila, 30 August and 8 October 1963

Official text: English.

Registered by the United States of America on 28 February 1964.

**ÉTATS-UNIS D'AMÉRIQUE
et
PHILIPPINES**

Échange de notes constituant un accord relatif à l'application du régime philippin de sécurité sociale aux employés des forces américaines aux Philippines qui ne sont pas citoyens des États-Unis. Manille, 23 avril 1962 et 30 août 1963

Échange de notes constituant un accord concernant l'Accord susmentionné. Manille, 30 août et 8 octobre 1963

Texte officiel anglais.

Enregistrés par les États-Unis d'Amérique le 28 février 1964.

No. 7147. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND THE PHILIPPINES RELATING TO SOCIAL SECURITY COVERAGE FOR NON-UNITED STATES CITIZEN EMPLOYEES. MANILA, 23 APRIL 1962 AND 30 AUGUST 1963

I

The American Embassy to the Philippine Department of Foreign Affairs

No. 762

The Embassy of the United States of America presents its compliments to the Department of Foreign Affairs of the Republic of the Philippines and has the honor to refer to the Embassy's Note No. 1085 of May 13, 1960² and the Department of Foreign Affairs Note No. 1792-60² in response thereto on the subject of providing retirement coverage to Filipino employees of those United States armed forces in the Philippines, pursuant to the Military Bases Agreement of 1947.³

The Embassy has the further honor to propose that the United States participate on a voluntary basis in the Social Security System of the Government of the Philippines (hereinafter called the "System") insofar as the System provides for old age retirement, permanent disability, sickness and death benefits, in order to secure social security benefits for non-US civilian employees of the United States armed forces presently without a retirement pension program.

Sections 11 through 21, inclusive, and Section 22 (a), 23 and 24 (a) of the System and of the rules, regulations and procedures of the System which describe the duties of the employer participating in the programs enumerated above shall be applicable to the United States armed forces.

The employees covered into the System shall have the same benefits and protections, and be subject to the same obligations and penalties, under the System as if they were in private employment.

¹ Came into force on 30 August 1963 by the exchange of the said notes.

² Not printed by the Department of State of the United States of America.

³ United Nations, *Treaty Series*, Vol. 43, p. 271; Vol. 68, p. 272; Vol. 185, p. 334; Vol. 213, p. 370; Vol. 229, p. 282, and Vol. 325, p. 332.

The Philippine Government agrees to seek the changes to Philippine law necessary to permit under Philippine law the voluntary participation in the System by the United States armed forces and subsequently to notify the United States when such changes have been made.

If the foregoing proposals and the Annex attached hereto are acceptable to the Government of the Republic of the Philippines, this note and the reply thereto indicating such acceptance and giving the notification referred to in the foregoing paragraph shall be considered to constitute the agreement of the Governments of the United States of America and the Republic of the Philippines concerning this matter to take effect on the date of such reply.

The Embassy avails itself of this opportunity to renew to the Department of Foreign Affairs the assurances of its highest consideration.

M. K.

Enclosure :
Annex.

Embassy of the United States of America

Manila, April 23, 1962

A N N E X

The United States Government proposes to the Philippine Government the following understandings between them to implement participation in the Philippine Social Security System by the United States armed forces for the benefit of their non-US civilian employees.

The United States armed forces shall make deductions from covered employees' wages of the employee contributions required by the System and shall remit them to the System together with the corresponding employer contributions.

In carrying out the provisions of the Philippine Social Security Act which authorize the System to reimburse the employer for overpayments or other amounts which become due to the employer from the System (for example, reimbursing the employer for payment of sickness benefits under the System) the United States armed forces will accept such reimbursement in the form of credit offsets to their current remittances to the System.

All fiscal transactions between the United States armed forces and the System and with covered employees shall be in terms of the Philippine peso.

The United States Government will provide appropriate self-audit and self-inspection in lieu of external audit or inspection except as may be otherwise agreed as an administrative arrangement.