

AGREEMENT
BETWEEN JAPAN AND HUNGARY
ON SOCIAL SECURITY

AGREEMENT BETWEEN JAPAN AND HUNGARY
ON SOCIAL SECURITY

Japan and Hungary,

Being desirous of regulating their mutual relations 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) "a Contracting State" and "the other Contracting State" mean Japan or Hungary, as the context requires;
 - (b) "national" means,

as regards Japan,
a Japanese national within the meaning of the law
on nationality of Japan,

as regards Hungary,
natural persons who are considered nationals of
Hungary, in accordance with the law on
nationality;
 - (c) "legislation" means,

as regards Japan,
the laws and regulations of Japan concerning the
Japanese pension systems and the Japanese health
insurance systems specified in paragraph 1 of
Article 2,

as regards Hungary,
the laws and regulations of Hungary relating to
the schemes and systems of social security,
specified in paragraph 2 of Article 2;

- (d) "competent authority" means,
- as regards Japan,
any of the Governmental organizations competent
for the Japanese pension systems and the Japanese
health insurance systems specified in paragraph 1
of Article 2,
- as regards Hungary,
the Ministers, Ministries or other relevant
authorities of Hungary responsible for social
security schemes and systems regulated by the
legislation of Hungary;
- (e) "competent institution" means,
- as regards Japan,
any of the insurance institutions, or any
association thereof, responsible for the
implementation of the Japanese pension systems
and the Japanese health insurance systems
specified in paragraph 1 of Article 2,
- as regards Hungary,
the institutions or the authority responsible, in
each case, for the implementation of the
legislation of Hungary;
- (f) "period of coverage" means,
- as regards Japan,
a period of contributions under the legislation
of Japan concerning the Japanese pension systems
specified in paragraph 1(a)(i) to (v) of Article
2, and any other period taken into account under
that legislation for establishing entitlement to
benefits,
- however, a period which shall be taken into
account, for the purpose of establishing
entitlement to benefits under that legislation,
pursuant to other agreements on social security
comparable with this Agreement shall not be
included,
- as regards Hungary,
periods of contribution payment and any other
periods which are considered as the periods of
contribution payment by the legislation of
Hungary;

(g) "benefit" means,

as regards Japan,
a pension or any other cash benefit under the
legislation of Japan,

as regards Hungary,
a pension or any other cash benefit under the
legislation of Hungary, including any complement,
supplement or increase, which is payable in
addition to that benefit to a person who is
qualified under that legislation.

2. For the purpose of this Agreement, any term not defined in this Agreement shall have the meaning assigned to it under the respective legislation of either Contracting State.

Article 2 Matters Covered

This Agreement shall apply,

1. as regards Japan,

(a) to the following Japanese pension systems:

- (i) the National Pension (except the National Pension Fund);
- (ii) the Employees' Pension Insurance (except the Employees' Pension Fund);
- (iii) the Mutual Aid Pension for National Public Officials;
- (iv) the Mutual Aid Pension for Local Public Officials and Personnel of Similar Status (except the pension system for members of local assemblies); and
- (v) the Mutual Aid Pension for Private School Personnel;

(the Japanese pension systems specified in (ii) to (v) shall hereinafter be referred to as the "Japanese pension systems for employees");

however, for the purpose of this Agreement, the National Pension shall not include the Old Age Welfare Pension or any other pensions which are granted on a transitional or complementary basis for the purpose of welfare and which are payable wholly or mainly out of national budgetary resources; and

- (b) to the Japanese health insurance systems implemented under the following laws, as amended:
 - (i) the Health Insurance Law (Law No. 70, 1922);
 - (ii) the Seamen's Insurance Law (Law No. 73, 1939);
 - (iii) the National Health Insurance Law (Law No. 192, 1958);
 - (iv) the Law Concerning Mutual Aid Association for National Public Officials (Law No. 128, 1958);
 - (v) the Law Concerning Mutual Aid Association for Local Public Officials and Personnel of Similar Status (Law No. 152, 1962);
 - (vi) the Law Concerning Mutual Aid for Private School Personnel (Law No. 245, 1953); and
 - (vii) the Law Concerning the Security of Healthcare Treatment for Senior Citizens (Law No. 80, 1982);

however, for the purpose of this Agreement, Articles 5, 14 to 21, 26, 27, 30 (except for paragraph 3) and paragraph 2 of Article 33 shall only be applicable to the Japanese pension systems referred to in (a) of this paragraph; and

2. as regards Hungary, to the laws and regulations concerning:

- (a) the insurance obligation and the payment of contribution covering social insurance benefits and benefits paid in case of unemployment; and

(b) the social insurance pension benefits;

however, the laws and regulations specified in this paragraph shall not include treaties or other international agreements on social security concluded or which may be concluded between Hungary and a third state, or laws and regulations promulgated for their specific implementation.

Article 3 Persons Covered

This Agreement shall apply to a person who is or has been subject to the legislation of a Contracting State, as well as family members or survivors who derive rights from such person.

Article 4 Equality of Treatment

Unless otherwise provided in this Agreement, the persons specified in Article 3, who ordinarily reside in the territory of a Contracting State, shall receive equal treatment with nationals of that Contracting State in the application of the legislation of that Contracting State. For the purposes of this Article, as regards the application of the legislation of Hungary, "to ordinarily reside" means to stay with the intention of staying continuously longer than three months from the date of first entry relating to that stay into Hungary.

Article 5 Payment of Benefits Abroad

1. Unless otherwise provided in this Agreement, any provision of the legislation of a Contracting State which imposes restriction of entitlement to or payment of benefits solely because the person ordinarily resides outside the territory of that Contracting State shall not be applicable to persons who ordinarily reside in the territory of the other Contracting State.

2. Benefits under the legislation of a Contracting State shall be paid to nationals of the other Contracting State who ordinarily reside in the territory of the third state, under the same conditions as if they were nationals of the first Contracting State.

3. For the purposes of this Article, as regards the application of the legislation of Hungary, "to ordinarily reside" means to stay with the intention of staying continuously longer than three months from the date of first entry relating to that stay into Hungary.

PART II
PROVISIONS CONCERNING THE APPLICABLE LEGISLATION

Article 6
General Provisions

Unless otherwise provided in this Agreement, a person who works as an employee or a self-employed person in the territory of a Contracting State shall, with respect to that employment or self-employment, be subject only to the legislation of that Contracting State.

Article 7
Special Provisions for Employees
and Self-Employed Persons

1. Where a person who is covered under the legislation of a Contracting State and has an employment contract with an employer with a place of business in the territory of that Contracting State is sent by that employer from that territory to work in the territory of the other Contracting State and no other employment contract with respect to that work is concluded by that person, the employee shall be subject only to the legislation of the first Contracting State as if that employee were working in the territory of the first Contracting State, provided that the planned period of such detachment is not expected to exceed five years.

2. Where a person to whom paragraph 1 of this Article is not applicable and who is covered under the legislation of a Contracting State and has one employment contract with an employer with a place of business in the territory of that Contracting State also concludes another employment contract with a related employer of that employer after being sent by that employer from the territory of that Contracting State to work in the territory of the other Contracting State, and in case where that related employer has a place of business in the territory of that other Contracting State, the employee shall be subject only to the legislation of the first Contracting State as if that employee were working in the territory of the first Contracting State, provided that the planned period of such detachment is not expected to exceed five years. The scope of the related employer referred to in this paragraph may be agreed upon between the Governments of the Contracting States.

3. If the detachment referred to in paragraphs 1 and 2 of this Article continues beyond the planned period of that detachment, the competent authorities of both Contracting States or the competent institutions designated by them may agree once, at the joint request of that employee and employer, that the employee remains subject only to the legislation of the first Contracting State. The total period of that detachment, including the period of extension of the application of the legislation of the first Contracting State according to this paragraph, shall not exceed six years.

4. Paragraphs 1 and 2 of this Article shall apply where an employee who has been sent by an employer from the territory of a Contracting State to the territory of the third state is subsequently sent by that employer from the territory of that third state to the territory of the other Contracting State.

5. Where a person who is covered under the legislation of a Contracting State and who ordinarily works as a self-employed person in the territory of that Contracting State, works temporarily as a self-employed person only in the territory of the other Contracting State, that person shall be subject only to the legislation of the first Contracting State as if that person were working in the territory of the first Contracting State, provided that the planned period of the self-employed activity in the territory of the other Contracting State is not expected to exceed five years.

6. If the self-employed activity in the territory of the other Contracting State referred to in paragraph 5 of this Article continues beyond the planned period of that self-employed activity, the competent authorities of both Contracting States or the competent institutions designated by them may agree once, at the request of that self-employed person, that the self-employed person remains subject only to the legislation of the first Contracting State. The total period of that self-employed activity, including the period of extension of the application of the legislation of the first Contracting State according to this paragraph, shall not exceed six years.

Article 8 Special Provisions for Employees on an Aircraft

A person who works as an employee on an aircraft in international traffic shall, with respect to that employment, be subject only to the legislation of the Contracting State in whose territory the employer is located.

Article 9
Members of Diplomatic Missions,
Members of Consular Posts and Civil Servants

1. This Agreement shall not affect the provisions of the Vienna Convention on Diplomatic Relations of April 18, 1961, or the Vienna Convention on Consular Relations of April 24, 1963.

2. Subject to paragraph 1 of this Article, where any civil servant of Japan or any person treated as such in the legislation of Japan is sent to work in the territory of Hungary, that person shall be subject only to the legislation of Japan as if that person were working in the territory of Japan.

3. Subject to paragraph 1 of this Article, where any civil servant, public employees of Hungary or any person treated as such in the legislation of Hungary is sent to work in the territory of Japan, that person shall be subject only to the legislation of Hungary as if that person were working in the territory of Hungary.

Article 10
Exceptions to Articles 6 to 9

At the joint request of an employee and an employer or at the request of a self-employed person, the competent authorities of both Contracting States or the competent institutions designated by them may by taking into account the nature and circumstances of the employment or self-employment, agree to grant an exception to Articles 6 to 9 in the interest of particular persons or categories of persons, provided that such persons or categories of persons shall be subject to the legislation of either of the Contracting States.

Article 11
Spouse and Children

1. While a person works in the territory of Japan and is subject only to the legislation of Hungary in accordance with Article 7, paragraph 3 of Article 9 or Article 10, the spouse or children coming with that person shall be exempted from:

- (a) the legislation of Japan concerning the Japanese pension system specified in paragraph 1 (a)(i) of Article 2, provided that the requirements specified in the legislation of Japan concerning the enforcement of the agreements on social security are fulfilled; and/or

- (b) the legislation of Japan concerning the Japanese health insurance system specified in paragraph 1 (b) (iii) and (vii) of Article 2, provided that those spouse or children are covered under the legislation of Hungary concerning the health insurance benefits (benefits in kind) and that the requirements specified in the legislation of Japan concerning the enforcement of the agreements on social security are fulfilled.

2. However, when those spouse or children so request, subparagraphs (a) and/or (b) of paragraph 1 of this Article shall not apply.

Article 12 Certification of Coverage

1. The liaison agency designated by the competent authority of a Contracting State in accordance with the provisions of paragraph 1(b) of Article 22 shall certify, upon request of the employee and his or her employer or the self-employed person, that the employee or self-employed person is subject to the legislation of that Contracting State.

2. The liaison agency of Hungary shall, upon request of the spouse or children, certify that those spouse or children are subject to the legislation of Hungary concerning the health insurance benefits (benefits in kind).

Article 13 Compulsory Coverage

Articles 6 to 8, paragraphs 2 and 3 of Article 9 and Article 11 shall apply only to compulsory coverage under the legislation of each Contracting State. Article 7 shall not apply to a person who is employed in the territory of Japan by an employer with a place of business in the territory of Japan or ordinarily works as a self-employed person in the territory of Japan, if that person is not covered under the legislation of Japan concerning the Japanese pension systems specified in paragraph 1(a) (i) to (v) of Article 2.

PART III
PROVISIONS CONCERNING BENEFITS

Chapter 1
Provisions concerning Japanese Benefits

Article 14
Totalization for Japanese Old-age Benefits
and Survivors' Benefits

1. Where a person does not have sufficient periods of coverage to fulfill the requirement for entitlement to old-age benefits and survivors' benefits under the legislation of Japan, the competent institution of Japan shall take into account, for the purpose of establishing entitlement to those benefits under this Article, the periods of coverage under the legislation of Hungary insofar as they do not coincide with the periods of coverage under the legislation of Japan.

However, the foregoing shall not apply to the additional pension for specified occupations under the mutual aid pensions and the lump-sum payments equivalent to the refund of contributions.

2. In applying paragraph 1 of this Article, the periods of coverage under the legislation of Hungary shall be taken into account as periods of coverage under the Japanese pension systems for employees and as corresponding periods of coverage under the National Pension.

3. In applying this Article, any period of coverage under the legislation of Hungary whose period of time is not specified shall not be taken into account.

Article 15
Special Provisions concerning Survivors' Benefits

1. Where the legislation of Japan requires for entitlement to survivors' benefits (except the lump-sum payments equivalent to the refund of contributions) that the date of the first medical examination or of death lies within specified periods of coverage, this requirement shall be deemed to be fulfilled for the purpose of establishing entitlement to that benefit if such a date lies within the periods of coverage under the legislation of Hungary.

However, if entitlement to survivors' benefits (except the lump-sum payments equivalent to the refund of contributions) under the National Pension is established without applying this Article, this Article shall not be applied for the purpose of establishing entitlement to survivors' benefits (except the lump-sum payments equivalent to the refund of contributions) based on the same insured event under the Japanese pension systems for employees.

2. In applying this Article, any period of coverage under the legislation of Hungary whose period of time is not specified shall not be taken into account.

3. In applying paragraph 1 of this Article, as regards a person who possesses periods of coverage under two or more Japanese pension systems for employees, the requirement referred to in that paragraph shall be deemed to be fulfilled for one of those pension systems in accordance with the legislation of Japan.

4. Paragraph 1 of Article 5 shall not affect the provisions of the legislation of Japan which require a person who is aged 60 or over but under 65 on the date of the first medical examination or of the death to reside ordinarily in the territory of Japan for the acquisition of entitlement to the Disability Basic Pension or the Survivors' Basic Pension.

Article 16

Calculation of the Amount of Japanese Old-age Benefits and Survivors' Benefits

1. Where entitlement to an old-age benefit and survivors' benefit under the legislation of Japan is established by virtue of paragraph 1 of Article 14 or paragraph 1 of Article 15, the competent institution of Japan shall calculate the amount of that benefit in accordance with the legislation of Japan, subject to paragraphs 2 to 5 of this Article.

2. With regard to the Survivors' Basic Pension and other benefits, the amount of which is a fixed sum granted regardless of the period of coverage, if the requirements for receiving such benefits are fulfilled by virtue of paragraph 1 of Article 14 or paragraph 1 of Article 15, the amount to be granted shall be calculated according to the proportion of the sum of the periods of contribution and the premium-exempted periods under the pension system from which such benefits will be paid to the sum of those periods of contribution, those premium-exempted periods and the periods of coverage under the legislation of Hungary.

3. With regard to survivors' benefits under the Japanese pension systems for employees, insofar as the amount of those benefits to be granted is calculated on the basis of the specified period determined by the legislation of Japan when the periods of coverage under those systems are less than that specified period, if the requirements for receiving such benefits are fulfilled by virtue of paragraph 1 of Article 14 or paragraph 1 of Article 15, the amount to be granted shall be calculated according to the proportion of the periods of coverage under the Japanese pension systems for employees to the sum of the periods of coverage and the periods of coverage under the legislation of Hungary. However, when the sum of the periods of coverage exceeds that specified period, that sum of the periods of coverage shall be regarded as equal to that specified period.

4. With regard to the calculation of the amount of benefits under the Japanese pension systems for employees in accordance with paragraphs 2 and 3 of this Article, if the person entitled to the benefits possesses periods of coverage under two or more such pension systems, the periods of contribution under the pension system from which such benefits will be paid referred to in paragraph 2 of this Article or the periods of coverage under the Japanese pension systems for employees referred to in paragraph 3 of this Article shall be the sum of the periods of coverage under all such pension systems. However, when the sum of the periods of coverage equals or exceeds the specified period determined by the legislation of Japan within the meaning of paragraph 3 of this Article, the method of calculation stipulated in paragraph 3 of this Article and this paragraph shall not apply.

5. With regard to the Additional Pension for Spouses which is included in the Old-age Employees' Pension and any other benefits that may be granted as a fixed sum in cases where the periods of coverage under the Japanese pension systems for employees equal or exceed the specified period determined by the legislation of Japan, if the requirements for receiving such benefits are fulfilled by virtue of paragraph 1 of Article 14, the amount to be granted shall be calculated according to the proportion of those periods of coverage under the Japanese pension systems for employees from which such benefits will be paid to that specified period.

Article 17
Exception to Article 4

Article 4 shall not affect the provisions on complementary periods for Japanese nationals on the basis of ordinary residence outside the territory of Japan under the legislation of Japan.

Chapter 2
Provisions concerning Hungarian Benefits

Article 18
Totalization

1. Where the legislation of Hungary requires to fulfill certain periods of coverage for establishing entitlement to a benefit and a person does not have sufficient periods of coverage for a full benefit, the competent institution of Hungary shall take into account the periods of coverage completed under the legislation of Japan as if these periods of coverage were completed under legislation of Hungary, provided that such periods of coverage do not overlap.

2. If a Hungarian benefit has been awarded, accumulation of additional periods of coverage under the legislation of Japan shall not result in any revision or recalculation of the Hungarian benefit.

Article 19
Calculating the Amount of Hungarian Partial Benefits

1. If entitlement to a benefit under the legislation of Hungary can be established by virtue of paragraph 1 of Article 18, the competent institution of Hungary:

- (a) shall calculate the theoretical amount of the benefit which would be paid if the totalized periods of coverage completed under the legislation of both Contracting States had been completed under the legislation of Hungary; and
- (b) on the theoretical amount calculated in accordance with (a) of this paragraph, shall determine the actual amount of benefit payable by applying the ratio of the length of the periods of coverage completed under the legislation of Hungary to the total periods of coverage completed under the legislation of both Contracting States.

2. For purposes of paragraph 1 of this Article, the income earned during the periods of coverage completed under the legislation of Hungary and the contributions paid under that legislation shall be taken into account.

Article 20
Concurrence of Benefits

The provisions in the legislation of Hungary which excludes or limits entitlement to benefits or payments of benefits in the case of concurrence with entitlement to or payments of any other benefits under the legislation of Hungary, or any other incomes, shall also be applied, as appropriate, in the cases of concurrence with entitlement to or payments of the benefits under the legislation of Japan.

Article 21
Period of Coverage less than One Year

If the periods of coverage completed under the legislation of Hungary are less than one year and do not result in any right to benefits, then the competent institution of Hungary shall not apply the provisions of paragraph 1 of Article 18 and shall not grant the benefits.

PART IV
MISCELLANEOUS PROVISIONS

Article 22
Administrative Collaboration

1. The competent authorities of both Contracting States shall:
 - (a) agree on the administrative measures necessary for the implementation of this Agreement;
 - (b) designate liaison agencies which may communicate directly to each other in order to facilitate the implementation of this Agreement; and
 - (c) communicate to each other, as soon as possible, all information about changes to their respective legislation insofar as those changes affect the implementation of this Agreement.

2. The liaison agencies shall be entitled, with the involvement of the competent authorities, to agree on necessary and appropriate measures in order to facilitate the implementation of this Agreement.

3. The competent authorities and competent institutions of both Contracting States, within the scope of their respective competence, shall provide any assistance necessary for the implementation of this Agreement. This assistance shall be provided free of charge.

Article 23
Charges or Fees and Legalization

1. Insofar as the legislation and other relevant laws and regulations of a Contracting State contain provisions on an exemption or reduction of administrative charges or consular fees for documents to be submitted under the legislation of that Contracting State, those provisions shall also apply to documents to be submitted in the application of this Agreement and the legislation of the other Contracting State.

2. Documents which are presented for the purpose of this Agreement and the legislation of a Contracting State shall not require legalization or any other similar formality by diplomatic or consular authorities.

Article 24
Communication

1. In implementing this Agreement, the competent authorities and competent institutions of both Contracting States may communicate directly in Japanese, Hungarian or English language with each other and with any person concerned wherever the person may reside.

Decisions and other documents under the legislation of Hungary may be delivered directly to the persons concerned who reside in the territory of Japan by registered mail.

2. In implementing this Agreement, the competent authorities and competent institutions of a Contracting State may not reject applications or any other documents for the reason that they are written in Japanese, Hungarian or English language.

Article 25
Transmission and Confidentiality of Information

1. The competent authorities or competent institutions of each Contracting State shall transmit, in accordance with its legislation and other relevant laws and regulations, personal data collected under its legislation to the competent authorities or competent institutions of the other Contracting State insofar as they are necessary for the implementation of this Agreement.

2. The competent authorities or competent institutions of each Contracting State may, upon the request of the competent authorities or competent institutions of the other Contracting State, transmit, in accordance with its legislation and other relevant laws and regulations, personal data collected under its legislation to the competent authorities or competent institutions of that other Contracting State insofar as they are necessary for the implementation of the legislation of that other Contracting State.

3. With regard to transmission in accordance with the provisions of paragraphs 1 and 2 of this Article, personal data shall be protected in accordance with the legislation and other relevant laws and regulations of the Contracting States and the following provisions:

- (a) the transmitted personal data may be used by the receiving body only for the purpose of the implementation of this Agreement, unless use for other purposes is mandatory under the laws and regulations of the receiving State for such specific purposes as the interests protected by criminal law and taxation;
- (b) in individual cases the receiving body shall, upon the request of the transmitting body, inform that body of the purpose of use of the transmitted personal data and the results obtained thereof;
- (c) the transmitting body shall ensure that the data to be transmitted are correct and limited to the extent necessary for the purpose of the transmission. Provisions regarding prohibition of transmission of personal data under the legislation and other relevant laws and regulations of the transmitting State must be taken into consideration. If it becomes evident that incorrect data or data whose transmission is incompatible with the laws and regulations of the transmitting State were transmitted, the transmitting body shall immediately notify the receiving body of this fact. In this case the receiving body shall correct or delete this data immediately;

- (d) the transmitting body and the receiving body shall, upon the request of the person concerned, inform that person of any personal data about him or her, of the purpose of, the legal basis for and the duration of the use of that data, and of the recipient of that data;
- (e) transmitted personal data shall be deleted by the receiving body in accordance with the relevant laws and regulations of the receiving State if they are no longer required for the purpose for which they were transmitted;
- (f) the transmitting body and the receiving body shall record the transmission and the receipt of personal data;
- (g) the transmitting body and the receiving body shall protect personal data effectively from unauthorized access, unauthorized modification and unauthorized disclosure;
- (h) if a person concerned who has suffered damages due to the personal data transmitted from the competent authorities or competent institutions of a Contracting State to the competent authorities or competent institutions of the other Contracting State pursuant to the provisions of this Agreement submits an appeal to the competent authorities or competent institutions of that other Contracting State, it shall be treated in accordance with the legislation and other relevant laws and regulations of that other Contracting State;
- (i) on request of the person concerned, the receiving body shall, in accordance with the legislation and other relevant laws and regulations of the receiving State, suspend the use of the data handled illegally or delete such data and shall immediately inform the transmitting body of that suspension or that deletion. On request of the person concerned, the transmitting body shall, in accordance with the legislation and other relevant laws and regulations of the transmitting State, correct the incorrect data handled by the transmitting body, and shall immediately inform the receiving body of that correction;

- (j) in case of the infringement of the rights related to the personal data protection, appropriate remedial measures shall be taken in accordance with the legislation and other relevant laws and regulations of each Contracting State; and
- (k) proper processing of personal data referred to in this Article received by a Contracting State shall be implemented in accordance with the laws and regulations of that Contracting State for the protection of confidentiality of personal data.

Article 26

Submission of Applications, Appeals and Declarations

1. When a written application for benefits, an appeal or any other declaration under the legislation of one Contracting State is submitted to a competent authority or competent institution of the other Contracting State which is competent to receive similar applications, appeals or declarations under the legislation of that other Contracting State, that application for benefits, appeal or declaration shall be deemed to be submitted on the same date to the competent authority or competent institution of the first Contracting State and shall be dealt with, according to the procedure and legislation of the first Contracting State.
2. The competent authority or competent institution of one Contracting State shall send the application for benefits, appeal or any other declaration submitted in accordance with paragraph 1 of this Article to the competent authority or competent institution of the other Contracting State without delay.
3. The submission of an application for a benefit, an appeal or any other declaration under the legislation of one Contracting State shall not automatically initiate a procedure under the legislation of the other Contracting State. When a person also submits the application for a benefit, an appeal or any other declaration to that other Contracting State, the procedure under the legislation of that other Contracting State shall be taken.

Article 27
Payment of Benefits

1. Payments of benefits under this Agreement may be made in freely convertible currencies. In case provisions for restricting the exchange of currencies or remittance are introduced by either Contracting State, the Governments of both Contracting States shall immediately consult on the measures necessary to ensure the payments of benefits by that Contracting State under this Agreement.

2. Transfers made under the scope of this Agreement shall be carried out on the basis of laws and regulations which are in force in the territory of the Contracting States at the date of such transfers.

Article 28
Resolution of Disagreement

Any disagreement regarding the interpretation or application of this Agreement shall be resolved by consultation between the Contracting States.

Article 29
Headings

The headings of Parts, Chapters and Articles of this Agreement are inserted for convenience of reference only and shall not affect the interpretation of this Agreement.

PART V
TRANSITIONAL AND FINAL PROVISIONS

Article 30
Events and Decisions prior to the Entry into Force

1. This Agreement shall establish entitlement to benefits from the date of entry into force of this Agreement at the earliest.

2. In the implementation of this Agreement, periods of coverage completed before its entry into force as well as other legally relevant facts occurring before its entry into force shall also be taken into account.

3. In applying paragraph 1, 2 or 5 of Article 7, in the case of a person who has been working in the territory of a Contracting State prior to the entry into force of this Agreement, the planned period of detachment or self-employed activity referred to in paragraph 1, 2 or 5 of Article 7 shall be considered to begin on the date of entry into force of this Agreement.

4. Decisions made in the case of individuals before the entry into force of this Agreement shall not affect any rights to be established by virtue of this Agreement.

5. Where an application for benefit under this Agreement is made within one year from the date of entry into force of this Agreement, any right arising from the implementation of this Agreement shall be acquired on that date or on the earliest relevant date thereafter. If the application is made after one year from the date of entry into force of this Agreement, the date of effect of the determination will be subject to the legislation of the relevant Contracting State.

6. The application of this Agreement shall not, for a beneficiary, result in any reduction in the amount of benefits to which entitlement was established before the entry into force of this Agreement.

Article 31
Obligations of Hungary
as a Member State of the European Union

This Agreement shall not affect rights and obligations of Hungary arising under the law of the European Union or under the EEA Agreement.

Article 32
Entry into Force

This Agreement shall enter into force on the first day of the month following the month in which the Contracting States shall have completed an exchange of diplomatic notes informing each other that their respective constitutional requirements necessary for the entry into force of this Agreement have been fulfilled.

Article 33
Duration and Termination of this Agreement

1. This Agreement shall remain in force for an indefinite period. Either Contracting State may give to the other Contracting State, through diplomatic channels, written notice of termination of this Agreement. In that event, this Agreement shall remain in force until the end of the calendar year following the year in which the notice is given.

2. If this Agreement is terminated in accordance with paragraph 1 of this Article, rights regarding entitlement to and payment of benefits acquired under this Agreement shall be retained. Notwithstanding the termination of this Agreement, the paragraph 1 of Article 5 shall continue to be effective with regard to those rights.

In witness whereof, the undersigned, being duly authorized thereto, have signed this Agreement.

Done at Budapest on the twenty-third day of August, 2013, in duplicate, in the Japanese, Hungarian and English languages, each text being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

For Japan:

岸田文雄

For Hungary:

J. Martonyi