

Introduction

This document outlines in general terms the coordination of Social Security systems between the European Union (EU) and Switzerland (CH), based on the "Agreement between the European Union and its Member States and the Swiss Confederation on the Free Movement of Persons" expected to become effective as of April 1, 2002.

Because of the complexity of the rules, this paper can only form an outline guide. Every individual situation will require specialist examination and advice.

The EU member states are:

- Austria
- Belgium
- Denmark
- Finland
- France
- Germany
- Greece
- Ireland
- Italy
- Luxembourg
- Netherlands
- Portugal
- Spain
- Sweden
- United Kingdom

Abbreviations

I) **Swiss Social Security System (Ist Pillar)**

- AHV/AVS Retirement benefits and widow's, widower's and orphan's pensions
- IV/AI Cost of reintegration into gainful employment following disability, as well as disability pensions
- EL/PC Supplementary benefits: these cover the difference between AHV or IV pensions and the applicable subsistence level
- FZ/AF Family allowances: partial compensation for family expenses
- MV/AM Military insurance: widow's, widower's, orphan's and disability pensions as well as medical expenses
- EO/APG Salary compensation during military service
- ALV/AC Unemployment insurance
- KV/LAMal Mandatory medical insurance

II) **Occupational Benefits Provision (IInd Pillar)**

- BV/PP Occupational pension legislation: retirement benefits. In case of death or disability due to illness: widow's, orphan's and disability pensions.
- UV/AA Mandatory accident insurance: in case of death or disability due to accident in the working place: widow's, widower's, orphan's and disability pensions, plus medical expenses.

III) **Voluntary Benefits Provision (IIIrd Pillars a and b)**

- III a Tax-deductible provision for retirement, death and disability
- III b Non tax-deductible relief applied on provision for retirement, death and disability, and insurance for medical expenses

These two or three letter abbreviations relate to the German/French designations and are widely used in Switzerland.

We point interested readers to a sister document which explains the **Swiss Three Pillar System** of Social Security and Statutory Employee Benefits.

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