

# *How to Insure Workers from Abroad*

*How should I insure  
workers from abroad  
when they work in Finland?*



## ***Working in Finland*** ***- Earning pension funds in Finland***

When your workers work in Finland, you have to insure them in Finland under the Employees Pensions Act (TyEL). You have to insure your workers whether you are a Finnish or a foreign employer and whether your workers are Finnish or foreign.

The pension funds that your workers have earned in Finland will be paid to them regardless of in which country they live when they retire.

Outdated

### **EXAMPLE**

A Russian employer hires an Estonian worker to work in Finland. The worker works in Finland during the week and spends his spare time in Estonia during the weekends. The employer pays the statutory pension contributions for the worker to Finland. In time, the worker will apply for and receive pension funds from Finland, even if they live in Estonia when they retire.

## ***Workers from an EU country who come to work in Finland***

Whether you are a Finnish or a foreign employer, you have to take out pension and accident insurance in Finland for your workers. If they have an A1 certificate, you have to take out insurance in the country which issued the A1 certificates.

Your workers may have an A1 certificates if:

- you have posted your workers to work in Finland temporarily, or
- your workers work regularly in two or more countries or for employers from different countries.

**Your workers can be covered by the social security laws of only one country at a time. In other words, do not pay social insurance contributions for them to two countries!**

### **EXAMPLE**

A Finnish employer hires a worker from Lithuania to work in Finland. The employer pays the contributions for the worker to Finland.

### **EXAMPLE**

A Finnish worker works in Finland. His employer is a Finnish subsidiary of a Russian company. The worker also works in Estonia for an Estonian employer. He has an A1 certificate from Estonia. Both employers pay the contributions to Estonia.

## *Workers from outside the EU area working in Finland*

Insure your workers in Finland if they come to work in Finland from a country with which Finland has a social security agreement (for example, China or the US) and they do not have a certificate of coverage.

If your workers come from another country outside the EU area - for example, from Russia, insure them in Finland. It does not matter if you are a Finnish or foreign employer or which country your workers come from.

However, this rule does not apply if you are an employer in a non-EU country from which you post your workers to Finland for less than two years. If the work lasts for more than two years, you can apply to the Finnish Centre for Pensions for an exemption from insuring.

### **EXAMPLE**

A Russian company posts its Russian worker to Finland for 1.5 years. The employer pays pension contributions to Finland for the posted worker.

## *Employer's check list*

- If your workers from abroad work in Finland, insure them in Finland. As a rule, you must pay also all other statutory social insurance contributions (for example, the accident insurance contributions) for your workers to Finland.
- However, do not insure your workers in Finland if they:
  1. come from the EU area and have an A1 certificate from another country,
  2. come from a country that Finland does not have a social security agreement with, such as Russia, and
    - you have posted your workers to Finland for less than two years and you operate in the sending country, or
    - you have an exemption from the Finnish Centre for Pensions if your workers are posted to Finland for 2-5 years.
- If you are a Finnish or a foreign employer and hire workers in Finland, insure them in Finland.
- If you are a Finnish employer and hire workers from abroad, insure them in Finland (unless they have an A1 certificate from another country).

### **WHAT IS AN A1 CERTIFICATE?**

The A1 certificate

- shows which country's social security laws apply to your worker,
- shows to which country you have to pay the social insurance contributions for your worker, and
- applies to work in EU countries.

The worker has to present the A1 certificate to you before the work starts.



***More information on  
how to insure your  
worker:***

***Finnish Centre for Pensions  
Insurance matters during  
employment abroad:***

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***e-mail: [ulkomaanasiat@etk.fi](mailto:ulkomaanasiat@etk.fi)***

***Tyoelake.fi -> Employer's obligations ([https://  
www.tyoelake.fi/en/employers-obligations/](https://www.tyoelake.fi/en/employers-obligations/))  
utlandsarbete/till finland från utlandet***



**Finnish Centre for Pensions**  
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