


SGATAR Transfer Pricing Competency Map

Level 1: Basic	Level 2: Intermediate	Level 3: Advanced
		
Competencies <i>Expected outcomes upon completion</i>	Competencies <i>Expected outcomes upon completion</i>	Competencies <i>Expected outcomes upon completion</i>
<p>At the Basic level, the candidate would be able to gain a good understanding in the following areas:</p> <ul style="list-style-type: none"> • Importance of transfer pricing in the global tax environment • Transfer pricing elements • Basic knowledge on MNE international structures • Evolution of MNE business structures or models • “Decentralized” vs. “Centralized” business models • Impact of changing business models • OECD transfer pricing requirements and laws • Transfer price and Arm’s length principle • When will transfer pricing issues arise • Concept of comparability , factors determining comparability and the steps involved in a comparability analysis • Functional analysis (e.g. relevant data, choice of tested party, finding comparable uncontrolled transactions) 	<p>At the Intermediate level, the candidate would be able to perform analyses by applying the conceptual knowledge gained at the Basic level, and undertake transfer pricing risk review and audit.</p> <p>The candidate would be able to:</p> <ul style="list-style-type: none"> • Apply the arm's length principle in practice, based on the guidance provided in the OECD Transfer Pricing Guidelines • Apply transfer pricing methodologies • Gain a good understanding on the concept of inter-quartile range/identifying the median or mean • Perform a comparability analysis including comparability search through the use of commercial databases • Identify, analyse and manage transfer pricing risks, including the assessment of risk 	<p>At the Advanced level, the candidate would be able to:</p> <ul style="list-style-type: none"> • Identify and analyse common international tax planning techniques and structures, focusing on transfer pricing issues and risks associated with international tax planning • Evaluate, analyse and understand MNE’s Transfer Pricing Documentation/Study • Specialise in transfer pricing matters of different specialised industries and act as an expert on transfer pricing issues across the entire value chain e.g. distribution, manufacturing, financing and management operations of the specialised industries. • Understand and advise on complex transfer pricing risks related to issues on business re-structuring, complex

<ul style="list-style-type: none"> • Transfer pricing methods and selection of the most appropriate method • Essential components of a transfer pricing documentation package submitted by companies • Value chain processes and the functions performed • How companies set transfer prices and undertake business restructures 	<ul style="list-style-type: none"> • Conduct a transfer pricing audit, including case selection, analysis, review and managing the defence process • Demonstrate a good understanding of the transfer pricing elements in common areas of practice • Gain a good understanding of the role and interplay of DTA provisions with regard to transfer pricing practices • Acquire a good understanding of the administrative approaches/mechanisms in minimising and resolving transfer pricing disputes, to efficiently avoid or eliminate double taxation 	<p>cross-border transactions, thin capitalisation and intangibles etc.</p>
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Enabling competencies

In addition to the technical competencies, a transfer pricing expert needs to effectively manage people, process and systems. Hence, electives on professional skills (i.e. enabling competencies) will complement the transfer pricing curriculum.

<ul style="list-style-type: none"> • Benchmarking, negotiation and strategising techniques 	<ul style="list-style-type: none"> • Collaborating and partnering stakeholders 	<ul style="list-style-type: none"> • Making effective decisions
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Complementary competencies

Knowledge in the following areas will complement a transfer pricing role:

<ul style="list-style-type: none"> • Economics 	<ul style="list-style-type: none"> • Treaty knowledge 	<ul style="list-style-type: none"> • Business valuation 	<ul style="list-style-type: none"> • Data analytics and modelling
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