

**SGATAR Transfer Pricing Training Curriculum**  
[Final draft]

<b>Key Competencies</b>	<p><b>Level 1: Basic (Theory-focused)</b> Gain a good understanding in the following areas:</p> <ul style="list-style-type: none"> <li>• OECD transfer pricing requirements and laws</li> <li>• Arm’s length principle</li> <li>• Concept of comparability, factors determining comparability and the steps involved in a comparability analysis</li> <li>• Functional analysis</li> <li>• Transfer pricing methods and selection of the most appropriate method</li> <li>• Essential components of a transfer pricing documentation package submitted by companies</li> <li>• Value chain processes and the functions performed</li> <li>• How companies set transfer prices and undertake business restructures</li> </ul>	
	<b>Topics</b>	<b>Learning objectives</b>
Sub-topics:		
<b>Day 1: Introduction: Transfer Pricing Key Concepts and Legal Framework</b>		
<p>Transfer Pricing: What is it and why is it important? Transfer Pricing – Legal framework, key concepts and practices</p> <ul style="list-style-type: none"> <li>• Arm’s length principle</li> <li>• Transfer Pricing legal framework</li> <li>• OECD Model Tax Convention on Income and on Capital</li> <li>• OECD 2010 TP guidelines (‘TPG’)</li> <li>• Latest developments in Transfer Pricing (with a focus on BEPS Action Plans 8 -10 and BEPS toolkits)</li> <li>• Other Transfer Pricing regulatory frameworks (UN)</li> </ul>	<ul style="list-style-type: none"> <li>• Understand why transfer pricing is important in the current global tax environment</li> <li>• Understand the key transfer pricing concepts</li> </ul>	
Functional and benchmarking analysis	<ul style="list-style-type: none"> <li>• Undertake a functional and benchmarking analysis</li> </ul>	
Value-chain analysis, substance & profit allocation	<ul style="list-style-type: none"> <li>• Articulate how and where value is created, as well as identify profit and tax outcomes</li> </ul>	

Current realities and recent international tax developments and impact	<ul style="list-style-type: none"> <li>Understand and gain an appreciation of the big picture environment and its impact on transfer pricing practices</li> </ul>
<b>Day 2: Transfer Pricing Documentation</b>	
BEPS Action 13 <ul style="list-style-type: none"> <li>Objectives and Elements of Transfer Pricing documentation</li> </ul>	<ul style="list-style-type: none"> <li>Explain and elaborate on key transfer pricing documentation to stakeholders</li> <li>Develop an idea of the type of information required to understand the commercial operations being analysed</li> <li>Understand how different documentation help establish a reliable FAR/benchmarking analysis for determining the ALP of an international transaction</li> </ul>
Obtaining and verifying documentation	
<b>Day 3: Operational Aspects of Transfer Pricing: Transfer Pricing Methods and Comparability</b>	
Overview of Transfer Pricing methods and their selections <ul style="list-style-type: none"> <li>Traditional transaction methods</li> <li>Transaction profit methods</li> <li>Other methods</li> </ul>	<ul style="list-style-type: none"> <li>Understand the key characteristics of each method, the reasons why such methods are used and examples of how such methods are correctly and incorrectly used.</li> </ul>
Factors determining comparability <ul style="list-style-type: none"> <li>What's comparability</li> <li>Examination of OECD's five comparability factors</li> <li>An overview of comparability analysis</li> <li>Availability and access to data</li> </ul>	<ul style="list-style-type: none"> <li>Understand the factors and strategies involved in determining comparability</li> </ul>
Transfer pricing aspects of business re-structuring <ul style="list-style-type: none"> <li>Value-chain analysis, substance &amp; profit allocation</li> <li>Functional characterisation of key roles in the value chain (e.g. full-fledged distributor, limited risk distributor, contract manufacturer etc)</li> </ul>	<ul style="list-style-type: none"> <li>Articulate how and where value is created, as well as identify and profit and tax outcomes</li> </ul>

<b>Key Competencies</b>	<b>Level 2: Intermediate (Application-based)</b> <ul style="list-style-type: none"> <li>Apply the arm's length principle in practice, based on the guidance provided in the OECD Transfer Pricing Guidelines</li> <li>Apply transfer pricing methodologies</li> <li>Perform a comparability analysis</li> <li>Identify and manage transfer pricing risks, including the assessment of risk</li> <li>Conduct a transfer pricing audit, including case selection, analysis, review and managing the defence process</li> <li>Demonstrate a good understanding of the transfer pricing elements in common areas of practice</li> <li>Gain a good understanding of the role and interplay of DTA provisions with regard to transfer pricing practices</li> <li>Acquire a good understanding of the administrative approaches/mechanisms in minimising and resolving transfer pricing disputes, to efficiently avoid or eliminate double taxation</li> </ul>	
	<b>Topics</b>	<b>Learning objectives</b>
<b>Sub-topics:</b>		
<b>Day 1: Application: Arm's Length principle, Comparability and Methods</b>		
Applying the Arm's Length Principle Case scenarios	<ul style="list-style-type: none"> <li>Understand how to apply the ALM in various scenarios</li> </ul>	
Recognised Transfer Pricing Methods Discussion about the five recognised transfer pricing methods Selecting the best method		
Performing a comparability analysis <ul style="list-style-type: none"> <li>Selection of comparables and comparability analysis/adjustments</li> <li>Internal and external comparable</li> <li>Application of arm's length principle to determine transfer prices</li> <li>Primary and corresponding adjustments</li> <li>Addressing lack of comparables</li> </ul>	<ul style="list-style-type: none"> <li>Perform a comparability analysis</li> <li>Understand how to identify comparables, perform cross-checks, and how it could be used in the various TP methods</li> </ul>	
Case studies : Developing comparables / Identifying and Applying different Transfer Pricing Methods	<ul style="list-style-type: none"> <li>Practical application: Understand how to develop comparables, evaluate and select the transfer pricing method that is the most appropriate method in the circumstances of the case and documenting the reasons</li> </ul>	

<b>Day 2: Transfer Pricing Risk Assessment and Audit</b>	
Managing risks <ul style="list-style-type: none"> <li>• Risk assessment</li> <li>• Common risk areas</li> <li>• Scenarios</li> <li>• Risk management approach</li> </ul>	<ul style="list-style-type: none"> <li>• Perform an initial review of transactions to determine the level of transfer pricing risk, with a view to undertaking transfer pricing audit</li> </ul>
Transfer pricing risk analysis	<ul style="list-style-type: none"> <li>• Undertake a risk assessment</li> <li>• Understand what constitutes risky risk profiles</li> </ul>
Selecting appropriate cases for Transfer Pricing audits <ul style="list-style-type: none"> <li>• OECD Handbook on TP risk assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a checklist for transfer pricing audit case selection and apply the steps involved in a transfer pricing audit</li> </ul>
Case study: Transfer pricing risk assessment	<ul style="list-style-type: none"> <li>• Understand and apply the essential elements of a transfer pricing risk assessment</li> </ul>
<b>Day 3: Transfer Pricing: Common Areas Encountered in Practice</b>	
Tax treaties and transfer pricing <ul style="list-style-type: none"> <li>• Interpretation and mechanism of DTA</li> <li>• Application of DTA provisions</li> </ul>	<ul style="list-style-type: none"> <li>• Understand the basic framework of a DTA</li> <li>• Understand the interplay of DTA provisions and transfer pricing</li> </ul>
Head office cost and management fee recharges	<ul style="list-style-type: none"> <li>• Gain an understanding of the application of transfer pricing in the common areas of practice</li> </ul>
Related party and intra-group transactions	
Permanent establishments and profit attribution	
Inter-company loans	
Supply chain	
<b>Day 4: International Tax Dispute Resolution</b>	
Overview of transfer pricing dispute process	
Mutual agreement procedure <ul style="list-style-type: none"> <li>• Overview, process and considerations</li> <li>• Benefits and advantages/ disadvantages</li> <li>• OECD guidance</li> </ul>	<ul style="list-style-type: none"> <li>• Understand and discuss the administrative approaches/mechanisms in minimising and resolving transfer pricing disputes</li> </ul>
Advanced pricing arrangements	

	<ul style="list-style-type: none"> <li>• Overview, process and considerations</li> <li>• Benefits and advantages/ disadvantages</li> <li>• OECD guidance</li> </ul>	
	Dispute resolution through arbitration & court litigation <ul style="list-style-type: none"> <li>• EU Arbitration Convention</li> <li>• Selected Country studies, inclusive of rulings</li> </ul>	<ul style="list-style-type: none"> <li>• Develop an in-depth understanding of the relationship/interaction between dispute resolution procedures and domestic law remedies.</li> </ul>
<b>Key Competencies</b>	<b>Level 3: Advanced</b> <ul style="list-style-type: none"> <li>• Identify and analyse common international tax planning techniques and structures, focusing on transfer pricing issues and risks associated with international tax planning.</li> <li>• 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.</li> <li>• Understand and advise on complex transfer pricing risks related to issues on business re-structuring, complex cross-border transactions, thin capitalisation and intangibles etc.</li> </ul>	
	<b>Topics</b>	<b>Learning objectives</b>
	<b>Specialisation</b>	
	Financial Services	<ul style="list-style-type: none"> <li>• Attain in-depth transfer pricing expertise in specialised services/industries or key areas of international concern.</li> </ul>
	Intra-group services	
	Pricing of related party loans	
	Natural resources	
	Country-by-country reporting	
	Intangibles	
	Thin capitalisation	
	<b>Electives</b> <i>Enabling competencies (i.e. professional soft skills)</i>	
	Benchmarking, negotiation and strategising techniques	
	Collaborating and partnering stakeholders	
	Making effective decisions	