

Frequently Asked Questions (FAQs)

| ELIGIBILITY – APPLICANTS | | | | | | | | | | | | | |
|---|---|--------------------------------|----|---|----------|-------------------------|-------------|-----------------------|----|---|-----------|------------------------|-------------|
| 1 | My firm is not a financial institution (FI) but is a FinTech firm or is a firm closely related to the financial sector. Does my firm qualify for funding? | | | | | | | | | | | | |
| | Eligibility will be considered on a case-by-case basis. Please email fams@ibf.org.sg for more information. | | | | | | | | | | | | |
| ELIGIBILITY – PROGRAMME PARTICIPANTS | | | | | | | | | | | | | |
| 2 | Can the firm hire non-Singapore Citizens (SCs) into the programme? | | | | | | | | | | | | |
| | Yes. However, only SCs will qualify for FAMS funding. Non-SC hires will not count towards fulfilling the hiring commitment nor receive funding support under FAMS. | | | | | | | | | | | | |
| ELIGIBILITY – PROGRAMME DESIGN | | | | | | | | | | | | | |
| 3 | Why does overseas rotation require to be minimally 3 months to qualify for additional funding? | | | | | | | | | | | | |
| | <p>A longer period of overseas rotation provides more meaningful exposure as the hires can develop international capabilities working more closely with foreign colleagues and on overseas projects.</p> <p>While programmes with overseas rotation less than 3 months will not be awarded with additional funding, such programmes will be considered more favourably to qualify for co-funding of local salary.</p> | | | | | | | | | | | | |
| 4 | Why and how does hiring shortfall and attrition rate affect my firm’s future application for FAMS? | | | | | | | | | | | | |
| | <p>This is to encourage applicants to:</p> <ul style="list-style-type: none"> • Project hiring more accurately so as to prevent the opportunity loss from FAMS funding being set aside for the programme but not utilised eventually – which could have been awarded to support other programmes or projects; and • Improve the quality of the programme to avoid attrition. <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <p>Hiring shortfall = No. of incremental SC hires that the firm did not manage to hire, relative to the total no. of incremental SC hires that it had committed to hire, as set out in the Letter of Offer.</p> <p style="text-align: center;"><u>Illustration</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Incremental SC hires committed</td> <td style="text-align: right;">10</td> </tr> <tr> <td style="padding-right: 20px;"><u>Less: Actual incremental SCs hired</u></td> <td style="text-align: right;"><u>8</u></td> </tr> <tr> <td style="padding-right: 20px;">Hiring shortfall (10-8)</td> <td style="text-align: right;">= 2, or 20%</td> </tr> </table> </div> <div style="border: 1px solid black; padding: 10px; margin-top: 10px;"> <p>Attrition rate = No. of SC hires that did not complete the programme, relative to the total no. of SC hires.</p> <p style="text-align: center;"><u>Illustration</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Total no. of SC hires</td> <td style="text-align: right;">20</td> </tr> <tr> <td style="padding-right: 20px;"><u>Less: No. of SC hires that completed prog.</u></td> <td style="text-align: right;"><u>15</u></td> </tr> <tr> <td style="padding-right: 20px;">Attrition rate (20-15)</td> <td style="text-align: right;">= 5, or 25%</td> </tr> </table> </div> | Incremental SC hires committed | 10 | <u>Less: Actual incremental SCs hired</u> | <u>8</u> | Hiring shortfall (10-8) | = 2, or 20% | Total no. of SC hires | 20 | <u>Less: No. of SC hires that completed prog.</u> | <u>15</u> | Attrition rate (20-15) | = 5, or 25% |
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For the avoidance of doubt, 20% or 25% mentioned above are illustrations and are not thresholds for the purposes of assessment. The threshold is kept confidential for internal assessment.

The assessment on hiring shortfall and attrition rate will be done based on the latest cohort of the same programme that was funded by FAMS that had completed the programme.

E.g., For a programme seeking funding in 2024, if the 2023 hires have yet to complete the programme, the application for programme commencing in 2024 will be assessed based on the 2022 cohort funded by FAMS, that had completed the programme.

FUNDING SUPPORT – FUNDING PARAMETERS

5 Why is funding provided only for incremental hires, instead of all hires?

Prior to 2016, FAMS funding was provided for every incremental SC hire above the hiring baseline (i.e., the average number of SC hires of the same programme in the preceding 5 years). Since then, funding was extended to all SCs hired to sustain the hiring of fresh graduates amid the waning hiring outlook and poor labour market conditions, especially during the Covid-19 pandemic period. The concession for all SC hires to be funded has expired in 2023.

Given the generous FAMS funding in the past few years, more firms have established talent development programmes, and employment growth is expected to be positive in the coming years. Hence currently, only programmes that plan to hire and train beyond the average of what the firm had done in the past 5 years (i.e., incremental hires), will be incentivised by FAMS funding.

For the avoidance of doubt, the funding of incremental SCs applies to applications submitted from 1 January 2024 onwards. If the programme has an existing FAMS agreement that covers its hires beyond 31 December 2023, the terms of the existing agreement apply.

6 How will incremental hires be calculated?

- The number of incremental hires is calculated based on the number of committed Singaporean (SC) hires for the year, less the average number of SC hired over the past 5 years.

Illustration A for existing programme more than 5 years

| No. of SCs hired over the past 5 years | | | | | Hiring Baseline (rounded down to the nearest whole number) |
|--|------|------|------|------|---|
| 2019 | 2020 | 2021 | 2022 | 2023 | |
| 3 | 5 | 0 | 10 | 10 | $(3 + 5 + 0 + 10 + 10) / 5 = 5$ |

Funding will be provided only for hires beyond 5 SCs in 2024.

- For existing programmes that have less than 5 years of track record, the average number of SCs hired will be based on the number of years since the launch of the programme.

Illustration B – for existing programme less than 5 years

| No. of SCs hired over the past 3 years | | | | | Hiring Baseline (rounded down to the nearest whole number) |
|--|------|------|------|------|--|
| 2019 | 2020 | 2021 | 2022 | 2023 | |
| N.A. | N.A. | 5 | 10 | 10 | $(5 + 10 + 10) / 3$ $= 8$ |

Funding will be provided only for hires beyond 8 SCs in 2024.

For the avoidance of doubt, the number of SCs hired in the past 5 years are to be included for the purposes of calculating the Hiring Baseline, regardless of whether the hires were funded by FAMS.

Illustration C – for new programme

For new programmes hiring its first batch of cohort the same year it is applying for FAMS, its Hiring Baseline will be 0, and hence, all SC hires during the year will be eligible for FAMS will be funded.

For the avoidance of doubt, the funding of incremental SCs applies to applications submitted from 1 January 2024 onwards. If the programme has an existing FAMS agreement that covers its hires beyond 31 December 2023, the terms of the existing agreement apply.

7 Are Singaporean citizen (SC) hires who resigned or are terminated prior to the end of the programme eligible for FAMS funding?

Only SC hires that complete at least 90% of the programme duration are eligible for funding.

Those who resigned or are terminated without completing at least 90% of the programme duration will not receive funding.

This is so that funding is targeted and used to achieve meaningful training outcomes for SCs such that the SC hires are sufficiently trained and equipped for future roles in the relevant areas.

For the avoidance of doubt, the 90% threshold applies to applications submitted from 1 January 2024 onwards. If the programme has an existing FAMS agreement that covers its hires beyond 31 December 2023, the terms of the existing agreement apply.

8 If a Singaporean citizen (SC) hire resigns or is terminated from the programme, can the firm hire a new SC to replace him/her?

While the firm may hire replacements, the replacement hire will only qualify for funding if he/she completes at least 90% of the programme within the funding period.

Funding will be pro-rated if the SC does not complete the full programme duration, but has minimally completed 90% of the programme.

For the avoidance of doubt, the 90% threshold applies to applications submitted from 1 January 2024 onwards. If the programme has an existing FAMS agreement that covers its hires beyond 31 December 2023, the terms of the existing agreement apply.

| | |
|--------------------------------------|--|
| 9 | What happens if my firm is unable to meet the hiring commitment for the programme which has been approved? |
| | <p>If the firm is unable to meet the hiring commitment at the end of the committed period, you would be required to explain the hiring shortfall, and funding will be adjusted accordingly based on actual number of hires.</p> <p>Please note that substantial hiring shortfalls may affect future applications for the same programme.</p> |
| 10 | If the firm did not meet the hiring commitment for the year, is it possible to defer the remaining commitment to the next year? |
| | <p>No. The hiring shortfall in the year cannot be deferred to the next year or future years.</p> <p>Please note that substantial hiring shortfalls may affect future applications for the same programme.</p> |
| 11 | If the firm hires above the number of Singaporean citizens (SCs) committed in the approved application, will these additional hires be funded? |
| | <p>You may indicate the actual hiring details in the firm's claim submission at the end of the funding period. Funding for additional hires is subject to review and approval.</p> |
| FUNDING SUPPORT – FUNDING CAP | |
| 12 | Why is there a funding cap, and at group level? |
| | <p>This will ensure that funding is distributed across as many FI groups as possible, so that more firms and individuals can benefit from the support.</p> |
| 13 | What is the definition of a single FI group? |
| | <p>FI entities will be assessed as an FI group for the purposes of FAMS funding as long as (i) there is name-sharing (e.g., <u>ABC</u> Ltd and <u>ABC</u> Singapore Ltd) or (ii) if the FIs' HR function is centralised.</p> |
| 14 | Can the firm appeal for funding cap to be beyond \$500,000 per FI group per calendar year? |
| | <p>Such appeals will be reviewed on a case-by-case basis and supported on exceptional basis.</p> <p>For instance, there could be cases worthy to support beyond \$500,000, such as a programme where the FI commits to hiring both polytechnic and university talent at the same job and wage levels in a priority area where we have not seen programmes focusing on (e.g., ESG investment analysts).</p> |

APPLICATION

15 Why does the programme now have to apply for FAMS annually for each cohort of hires, instead of committing the number of hires over 3 years?

This will allow applicants to make more accurate hiring commitments, based on firms' annual headcount planning cycles.

In the past, when headcount commitments were made over a 3-year period, firms often had to seek approval to adjust their commitments based on changes to their hiring needs and the job market. This presented an operational burden.

This change also allows MAS to effect policy changes to FAMS more nimbly, taking into consideration changes in FIs' talent needs and outlook of the job market.

For the avoidance of doubt, programmes commencing from 1 January 2024 will have to apply for FAMS for each year of hires requiring FAMS funding, unless the programme has an existing FAMS agreement that covers its hiring beyond 31 December 2023.

16 My firm used to be able to apply for FAMS any time of the year. Why is there now a need for an application window period?

This is to ensure that funding is channelled towards supporting the most impactful, high-quality programmes within the limited FAMS budget.

17 What are the details required for application?

Please refer to the sample application form under the "Resources" section of the FAMS' webpage [here](#). Please ensure you have all the information ready before filling up the application form online as you will not be able to save the form mid-way.

18 If the programme's FAMS funding is expiring, can the firm reapply for FAMS?

Yes. Please submit a new application for each cohort of hires during the annual application window, unless the programme has an existing FAMS agreement that covers its hiring beyond 31 December 2023.

19 Can the programme commence before the funding is approved? When can we expect the application outcome?

Application outcome can be expected about 3 months after the annual application window closes. We encourage applicants to submit as early as possible, to allow IBF sufficient time to assess the application and seek clarification if need be, so as to avoid delays in the approval timeline.

We encourage applicants to commence programmes in the second half of the year. However, should the programme commence prior receiving approval from IBF, applicants will bear the risks of reduced or no funding at all.

| | |
|---------------|---|
| 20 | <p>Does the firm need to submit an application if it already has an approved application for FAMS covering hires for the year?</p> <p>The firm is not required to submit an application for the year if the letter offer approved and agreed upon previously includes hires for the year.</p> <p>E.g., If the FAMS application approved in 2022 includes hiring commitment for 2022-2024, the firm does not need to re-apply for FAMS in 2024 for its 2024 hires. The terms in the existing FAMS agreement made in 2022 that covers its hires for 2022-2024 will continue to apply for its 2024 hires. However, if the actual number of SC hires have exceeded the original commitment made in 2022, there is not guarantee of funding for the additional hires.</p> |
| 21 | <p>If the programme hiring period starts after the closing of application window, when should the firm submit its application for FAMS?</p> <p>Regardless of the hiring period, applications for hires enrolling in programmes commencing any time during the year (e.g., 2024), shall be submitted during the application window of the year (i.e., 1 January 2024 – 31 March 2024).</p> <p>Applications submitted on or after programme commencement date or outside the application window will not be entertained.</p> |
| 22 | <p>If the programme consists of both priority and non-priority areas, how should the application be made?</p> <p>Please apply for FAMS separately (i.e., firm to submit 2 application submissions) as programmes in priority and non-priority areas will be assessed separately.</p> |
| CLAIMS | |
| 23 | <p>For existing programmes which were approved previously for FAMS funding, can we submit the claims at the end of the programme per the new claim cycle?</p> <p>Please refer to the Letter of Offer awarded to the firm for the claim submission timeline. For existing programmes, if the firm wish to streamline the claims submission to a single submission at the end of the programme, please email fams@ibf.org.sg to seek approval for deviation from the Letter of Offer.</p> |