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COMPASS – Singapore’s new Employment Pass Assessment Framework

With the aim of greater clarity and certainty for companies’ manpower planning, the Ministry of Manpower (MOM) in Singapore will progressively introduce a fundamentally revised assessment system for Employment Pass applications.



I. Overview of Changes

Up to now, the main formal basis for the decision on an application for an Employment Pass (EP) has been the salary. However, the changes now introduce a two-stage assessment system with a clearly differentiated assessment matrix. In addition to the minimum salary requirement that already applied, the application must now also achieve a minimum score in the new “COMPASS” assessment system (COMPASS = Complementarity Assessment Framework). **The COMPASS system will apply to new applications from 1 September 2023 and to renewals from 1 September 2024.**

II. Stage 1: Minimum Salary

At a first stage, a minimum salary is required to apply for an EP, which is SGD 5,000 (or SGD 5,500 in the financial sector) for new applications and renewals from 1 September 2023. Renewals prior to 1 September 2023 must meet a minimum salary of SGD 4,500 (or SGD 5,000 in the financial sector). It should be noted that this minimum salary applies to applicants from age 23 and increases progressively from that age at age 45 and above (e.g. up to SGD 10,500 for new applications). It is expected that the minimum salary threshold will be adjusted periodically to reflect salary trends in Singapore.

III. Stage 2: COMPASS Assessment Matrix

At a second stage, the EP application must now achieve a minimum score of 40 points in the new COMPASS assessment matrix in order to be successful. The COMPASS assessment matrix is based on four foundational and two bonus criteria, which are in turn divided into individual and firm-related criteria.

foundational criteria (individual)	(F1) Salary
	(F2) Qualification
bonus criteria (individual)	(B1) Skills Bonus – Shortage Occupation List

foundational criteria (firm-related)	(F3) Diversity
	(F4) Support for Local Employment
bonus criteria (firm-related)	(B2) Strategic Economic Priorities Bonus

Points will be given for meeting (10 points) or exceeding (20 points) the expectations of the respective foundational criteria. Falling below expectations will be given 0 points. Additional points may be awarded for meeting bonus criteria. In detail:

a. (F1) Salary

In addition to the minimum salary requirement at Stage 1, COMPASS also takes into account sectoral differences in salary norms. An application receives the points listed below if the sector-specific benchmarks for local PMET salaries (PMET = Professionals, Managers, Executives and Technicians) are met¹. These benchmarks are also age-adjusted.

Monthly fixed salary compared to local salaries of PMETs in the respective sector, broken down by age

≥ 90th percentile	20 points
65th to 90th percentile	10 points
< 65th percentile	0 points

b. (F2) Qualification

COMPASS system differs between the value of the qualifications. A distinction is made as follows:

Qualification

Top-tier institution	20 points
Degree-equivalent qualification	10 points
No degree-equivalent qualification	0 points

Top-tier institutions include: Top 100 universities based on QS World University Rankings and other highly-reputed universities in Asia, Singapore’s Autonomous Universities, and institutions that are highly-recognised in a particular field.²

Degree-equivalent qualifications generally refer to: Foreign qualifications that are assessed to be comparable to a bachelor’s degree in the UK system and professional qualifications that are well-recognised by the industry and endorsed by a relevant sector agency.

1 The sector-specific benchmarks for salary are available at: <https://www.mom.gov.sg/-/media/mom/documents/work-passes-and-permits/compass/c1-salary-benchmarks>.

2 A list of top-tier institutions is available at: <https://www.mom.gov.sg/-/media/mom/documents/work-passes-and-permits/compass/compass-c2-list-of-top-tier-institutions>.

3 The verification proof requirements are available at: <https://www.mom.gov.sg/faq/work-pass-general/what-are-the-requirements-for-a-verification-proof>.

From 1 September 2023, qualifications declared to MOM in new EP applications will have to be supported with verification proof from background screening companies listed on MOM’s website.³ Employers are responsible for ensuring that their candidates’ qualifications are authentic and were awarded by accredited institutions. It should be noted, that educational certificates certified by a notary public and school letters are not accepted as a form of verification proof.

c. (F3) Diversity

COMPASS seeks to counter discrimination and to support diversity. Therefore, the composition of the workforce by nationality is relevant. COMPASS awards more points to applications where the candidate’s nationality forms a small share of the firm’s PMET employees. No points are earned if the firm is applying to bring in a candidate whose nationality currently forms a significant share of its PMET employees.

Share of the candidate’s nationality among firm’s PMETs

< 5%	20 points
5 to 25%	10 points
≥ 25%	0 points

The firm’s COMPASS workforce profile will be updated on the 6th day of each month, and is accessible via the company’s myMOM portal. The candidate’s nationality is based on the nationality indicated on their passport in the Singapore Government’s records. However, the application might score 10 points by default if the firm employs fewer than 25 PMET employees.

d. (F4) Support for Local Employment

As a fourth foundational criterion, COMMPASS points are awarded in relation to the share of local PMET employees in the firm’s peers in the same sector. As usual, local employees are understood as Singapore citizens or permanent residents.

Share of local PMETs within firm’s sector

- ≥ 50th percentile 20 points
- 20th to 50th percentile 10 points
- < 20th percentile 0 points

As mentioned above, the firm’s COMPASS workforce profile will be updated on the 6th day of each month also with regards to this criterion. To not disadvantage firms in sectors which have a relatively high share of local PMET employees, application will earn at least 10 points if the firm’s local PMET share is at least 70% (pegged on the 20th percentile of firms economy-wide), regardless of where the firm stands within their sector.

Furthermore, the application might score 10 points by default if the firm employs fewer than 25 PMET employees.

e. (B1) Skills Bonus – Shortage Occupation List

COMPASS awards +20 bonus points if the applicant is working in an occupation that requires highly specialised skills that are currently in shortage in the local workforce and is listed on the so-called Shortage Occupation List (SOL).⁴

Shortage Occupation List March 2023

Agritech	<ol style="list-style-type: none"> 1. Alternative protein food application scientists 2. Novel food biotechnologist
Financial Services	<ol style="list-style-type: none"> 3. Financial/investment adviser (ultra-high/high net worth, family office & philanthropy)
Green Economy	<ol style="list-style-type: none"> 4. Carbon project/program manager 5. Carbon standards and methodology analyst 6. Carbon trader 7. Carbon verification and audit specialist

Healthcare	<ol style="list-style-type: none"> 8. Clinical psychologist 9. Diagnostic radiographer 10. Occupational therapist 11. Physiotherapist 12. Registered nurse
Infocomm Technology	<ol style="list-style-type: none"> 13. AI scientist/engineer 14. applications/systems programmer 15. Cloud specialist 16. Cyber risk specialist 17. Cybersecurity architect 18. Cybersecurity operations specialist 19. Data scientist 20. Digital forensics specialist 21. Penetration testing specialist 22. Product manager (digital) 23. Software and applications manager (technical lead/supervisor) 24. Software developer 25. Web and mobile applications developer
Maritime	<ol style="list-style-type: none"> 26. Marine superintendent 27. Marine technical superintendent

The SOL is developed by MOM and the Ministry of Trade and Industry (MTI) and will be reviewed every three years with the flexibility to add or remove occupations annually if required by market conditions. Potential updates will be published by March every year. The candidate’s bonus points will be reduced from +20 to +10 if their nationality forms one-third or higher of the firm’s PMETs. Experienced tech professionals applying for specific tech occupations on the SOL may also be eligible for a longer 5-year duration EP.⁵

⁴ The SOL is available at: <https://www.mom.gov.sg/-/media/mom/documents/press-releases/2023/annex-b---shortage-occupation-list>.

⁵ Further requirements for this are available at: <https://www.mom.gov.sg/passes-and-permits/employment-pass/experienced-tech-professionals-with-skills-in-shortage>.

To fulfil the Skills Bonus criteria, candidates must demonstrate that they are performing a role that matches the job description and duties of the SOL occupation. In addition, further safeguards must be fulfilled if the bonus points are needed to pass COMPASS. In this case, MOM will conduct additional checks on the applicant (i.e. regarding past work experience, qualifications, or industry accreditation that are relevant to the declared occupation). Furthermore, such applicants, if approved, will have their employment restricted to the specific shortage occupation. Any redeployment will be subject to a reassessment of the EP holder’s eligibility for an EP.

f. (B2) Strategic Economic Priorities Bonus

Singapore seeks to anchor and grow firms that can contribute to the innovative capacity of its economy, enhance its global linkages, and strengthen its economic competitiveness.

The Strategic Economic Priorities (SEP) Bonus thus recognises firms undertaking ambitious investment, innovation, internationalisation, or company and workforce transformation activities. Firms receiving the SEP Bonus will be awarded +10 bonus points on COMPASS for each EP application submitted. To qualify for the SEP Bonus, firms must be supported by sector agencies or the National Trades Union Congress (NTUC) and therefore must participate in one of the eligible programs.⁶

The SEL Bonus will be received for up to three years. To continue afterwards, firms are required to meet expectations on the firm-related criteria. This refers to scoring at least 10 points on both, Diversity (F3) and Support for Local Employment (F4). Supported firms will be notified by MOM from end July 2023.

g. Exceptions from COMPASS

Candidates might be excepted from the COMPASS system in case:

1. They earn at least SGD 22,500 fixed monthly salary, or
2. apply as an overseas intra-corporate transferee under the World Trade Organisation’s General Agreement on Trade in Services or an applicable Free Trade Agreement that Singapore is party to, or
3. fill a role on a short-term basis, i.e. 1 month or less.

⁶ The eligible programs for SEP Bonus are available at: <https://www.mom.gov.sg/-/media/mom/documents/press-releases/2023/annex-c---eligible-programmes-for-sep-bonus>.

IV. Get COMPASS Ready: Ensure Your Business Activity Is Updated

a. Ensure Your Business Activity Is Updated

As stated earlier, for Salary (F1) and Support for Local Employment (F4), the points awarded depend on how the firm performs to other firms in the same sector.

Therefore, firms will be grouped under COMPASS system in sectors based on their primary business activity.

Sector List

- Manufacturing
- Construction
- Wholesale trade
- Retail trade
- Air & sea transport
- Land transport & logistics
- Accommodation
- Food & beverage services
- Info-communication technology
- Media
- Banking and other financial services*
- Insurance services*
- Fund management services*
- Real estate services
- Professional services
- Admin & support services
- Public admin & defence
- Education
- Health & social services
- Arts, entertainment & recreation
- Other community, social & personal services
- Utilities and other goods producing industries

*Firms in these sectors belong to the financial services sector which is subjected to a higher EP Qualifying Salary in Stage 1.

It is to be noted that it is not the actual business activity that is decisive, but the business activity that has been declared to the Accounting and Corporate Regulatory Authority (ACRA). Information for entities that are not registered with ACRA but with other Unique Entity Number (UEN) issuance agencies will be available in Q2 2023.

As the correct classification of the firm may affect the points to be achieved, **it is highly recommended, to review and update the firm’s declaration to ACRA about its primary business activity, to ensure it is current and accurate.** If the firm’s Singapore Standard Industrial Classification (SSIC) information is found to be missing or inaccurate, this could result in work pass delays or rejections when COMPASS is implemented. The updating of the primary business activity can be done via your company secretary.

b. Ensure Educational Certificates are verified

As mentioned above, **from 1 September 2023, qualifications declared to MOM in new EP applications will have to be supported with verification proof from background screening companies listed on MOM’s website.**⁷ Employers are responsible for ensuring that their candidates’ qualifications are authentic and were awarded by accredited institutions. Depending on the institution and service provider used, the verification process can take a long time (up to a few months). Employers are advised to plan for verification of certificates well ahead of applications.



V. Conclusion and Outlook

The introduction of the new assessment system for EP is one of the most fundamental changes to Singapore’s immigration law in recent years. Companies should therefore familiarise themselves with the new system at an early stage in order to be able to adjust their medium- and long-term personnel planning accordingly. A Self-Assessment Tool announced for September 2023 by MOM will provide further useful assistance in this regard.

⁷ The verification proof requirements are available at: <https://www.mom.gov.sg/faq/work-pass-general/what-are-the-requirements-for-a-verification-proof>.

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