

Singapore's New COMPASS System Set to Roll Out in September

August 15, 2023Posted by ASEAN BriefingWritten by Ayman Falak MedinaReading Time: 3 minutes

Singapore will introduce a new points system for Employment Pass (EP) applicants on **September 1, 2023,** and for renewal applicants from **September 1, 2024**.

The government hopes that the new system – laid out under the Complementarity Assessment Framework (COMPASS) – will improve the capacity of Singaporean businesses to select high-quality foreign professionals and ensure workforce diversity.

Future EP applicants must score at least 40 points under the COMPASS system, awarded based on four attributes and two bonus criteria.

Increase in Employment Pass qualifying salaries

Under Singapore's 2022 budget, the government announced an increase to the qualifying minimum salaries for several work permits, primarily the Employment Pass and the S Pass permits.

The qualifying salary threshold for EP applicants has been raised to S\$5,000 (US\$3,694) from the current S\$4,500 (US\$3,332). The EP permit is issued to expatriates hired as managers, executives, and skilled professionals in Singapore.



| Singapore COMPASS Point System | | |
|--|----------------------------|--|
| Points for each foundational criterion | Assessment | |
| 20 | Exceeds expectations | |
| 10 | Meets expectations | |
| 0 | Does not meet expectations | |

Applicants can also earn additional points on two bonus criteria – one for candidates in jobs with a skills shortage, and second, for firms that engage in innovation and internationalization activities.

40 points are required to pass COMPASS.

COMPASS scoring

The scoring system is highlighted in the following table.



| Foundational Criteria | Fixed monthly salary compared to local PMET salaries in sector by age | Points | Share of candidate's nationality among firm's PMETs | Points |
|--------------------------|---|--------|--|--------|
| | ≥ 90 th percentile | 20 | < 5% | 20 |
| | 65 th to 90 th percentile | 10 | 5 to 25% | 10 |
| | < 65 th percentile | 0 | ≥ 25% | 0 |
| | C2. Qualifications | | C4. Support for local employment | |
| | Awarded for recognized qualifications | Points | Firm's share of local PMETs within its subsector | Points |
| | Top-tier institution | 20 | ≥ 50 th percentile | 20 |
| | Degree-equivalent qualification | 10 | 20 th to 50 th percentile | 10 |
| | No degree-equivalent qualification | 0 | < 20 th percentile | 0 |
| Bonus criteria | Skills bonus | Points | Strategic economic priorities bonus | Points |
| | Job on the Shortage Occupation List | +20 | Firm meets specific assessment criteria on innovation or internationalization activities | +10 |

Source: Singapore Ministry of Manpower

Graphic@Asia Briefing Ltd.

PMET: Professionals, managers, executives, and technicians.

The skills bonus is reduced to +10 if the share of the candidate's nationality is one-third or higher among the firm's PMETs.

Small firms with fewer than 25 PMET employees score 10 points on C3 and C4 by default.

Casa study 1



Firm-related attributes

The candidate's nationality currently forms 20 percent of the company's PMET employees, awarding the applicant 10 points.

Finally, the company has a local PMET share at the 40th percentile, awarding them 10 points.

As such, the total points obtained by Company A are 40, and the candidate is eligible for the EP permit.

Case Study 2

Company B is weak on the foundational criterion but earns points on the bonus criterion

Candidate attributes

Company B, a software company in the tech sector, has an EP candidate with a monthly salary at the 95th percentile of local PMET salaries in the sector. As such, 20 points are awarded.

The candidate (an artificial intelligence engineer) holds a degree-equivalent qualification, resulting in 10 points.

Firm-related attributes



Who is exempted from COMPASS?

The candidate is exempted from COMPASS if they fulfill the following conditions:

- > Earning a fixed salary of at least S\$20,000 (US\$14,667) per month;
- > Filling a role on a short-term basis, one month or less; or
- Applying as an overseas intra-corporate transferee under the World Trade Organization's General Agreement or a free trade agreement to Singapore is a party.

Further Reading

- > Incentives and Support for Businesses in Singapore's Budget 2022
- > Singapore Makes Amendments to Company Laws to Improve Compliance
- > Singapore Signs Digital Trade Deal With the UK

About Us

ASEAN Briefing is produced by Dezan Shira & Associates. The firm assists foreign investors throughout Asia and maintains offices throughout ASEAN, including in Singapore, Hanoi, Ho Chi Minh City, and Da Nang in Vietnam, in addition to Jakarta, in Indonesia. We also have partner firms in Malaysia, the Philippines, and Thailand as well as our practices in China and India. Please



Events in ASEAN

Our free webinars are packed full of useful information for doing business in ASEAN.

5 oct The Rising Tide of Digital Transformation in Asia: Opportunities and Challenges + Panel Discussion

Conference | October 5, 2023 | 10:00 - 17:00 European Eastern Time Zone



JOIN EVENT

Related reading









DEZAN SHIRA & ASSOCIATES

Meet the firm behind our content. Visit their website to see how their services can help your business succeed.

About Us

Find an Advisor

ASIA BRIEFING WEEKLY





