

The compass framework

New points-based immigration framework in Singapore

The Singapore government is implementing a points-based immigration framework which will take effect on 1 September 2023 for new Employment Pass (EP) applications and 1 September 2024 for EP renewals. The points based framework is called COMPASS and stands for Complementarity Assessment Framework. The aim is for employers in Singapore to hire highly skilled professionals, while maintaining a diverse workforce with a strong Singaporean core.

The two stages of COMPASS

An EP candidate must pass two stages to be considered for an EP, these are the following:

- **Stage 1:** The EP candidate must pass the minimum qualifying salary which increases progressively with age and varies depending on which sector the hiring company is operating in. **See more details here** on the minimum qualify salary.
- **Stage 2:** The EP candidate must pass the points-based framework by scoring at least 40 points based on six different criteria.

Scoring system

The scoring system under Stage 2 is made up by six different criteria, four of which are foundational and two of which are bonus criteria.

	Individual criteria		Company-related criteria	
Foundational Criteria	C1. Salary		C3. Diversity	
	Based on fixed monthly salary compared to local PMET salaries in sector by age	Point	Based on share of candidate's nationality among hiring company's PMETs	Point
	Above 90th percentile	20	Less than 5%	20
	65th to 90th percentile	10	Between 5% to 25%	10
	Below 65th percentile	0	More than 25%	0
	C2. Qualifications		C.4 Support for local employment	
	Based on qualification held by candidate	Point	Based on the company's share of local PMETs compared to relevant subsector	Point
	Top-tier institution	20	Above 50th percentile	20
	Other degree-equivalent qualifications	10	Between 20th to 50th percentile	10
	No degree-equivalent qualifications	0	Below 20th percentile	0
Bonus Criteria	C.5 Skills bonus		C.6 Strategic economic priorities bonus	
	The position is on the Shortage Occupation List (SOL)	20	The company meets specific assessment criteria on internationalization and innovation activities	20

Special considerations

- If the sponsoring company has less than 25 employees, the score under C.3 and C.4 will be 10 points as a default, respectively. This is because the company is considered a small business by MOM's definition.
- The skills bonus under C.5 is reduced to 10 if the share of the candidate's nationality is more than 33% of the hiring company's Professionals Managers, Executives and Technicians (PMETs).
- PMETs are considered employees earning at least SGD 3,000 per month.



How to pass the points-based framework (Stage 2)

To pass Stage 2, the candidate must score at least 40 points. There are no mandatory criteria to score under, meaning that the total of 40 points can be earned under any of the criteria. Based on comments made by the Ministry of Manpower (MOM) we understand that most candidates are expected to score 10 points on the foundational criteria. However, this will depend on the profile of the candidate and the hiring company.

From 1 August 2023, a new Self-Assessment Tool (SAT) is available in the EP eService portal. This will enable companies to check EP eligibility for a candidate. However, it can only be completed in the portal, meaning that whoever will run the SAT needs access to the portal. This will normally only be local HR/Mobility with the company in Singapore or an outsourced provider such as K2.

Exemptions from COMPASS

Some EP applicants will be exempted from the COMPASS framework, these include:

1. Candidates earning at least SGD 22,500 per month in fixed monthly salary, which is also the prevailing rate for advertisement exemptions from 1 September 2023.
2. Candidates who are declared as overseas intra-corporate transfers under the World Trade Organisation General Agreement on Trade in Services (WHO GATS) or on an applicable Free Trade Agreement (FTA) that Singapore is party to.
3. The position is short-term, i.e. 1 month or less.
4. It should be noted that even if the candidate is exempted, he/she will still impact the overall company score under C.3 and C.4.

Further details on the criteria

C.1 Salary

On top of passing the Stage 1, a candidate will also score points based on the salary offered by meeting salary benchmarks in the hiring company's classified sector. MOM has created 22 sectors which companies can be classified under. The classification is automatic based on the primary business activity declared to the Accounting and Corporate Regulatory Authority (ACRA). Companies can find its classified sector by logging in to the EP eService portal in Singapore. The benchmarks by sector are **available here**, these will be updated in March each year and apply from 1 September the same year.



C.2 Qualifications

A candidate will score based on the type of qualification held and the awarding institution. If the qualification is issued by a top-tier institution (**see here**), the candidate will score 20 points. For other degree-equivalent qualifications, the candidate will score 10 points. We understand that degree-equivalent is comparable to a Bachelor's degree in the UK system or if the candidate holds a recognised professional qualification, **see here**.

C.3 Diversity

A candidate will score based on the nationality which is declared in the EP application, and how many of the same nationality are already in the sponsoring company. As an example, if the candidate is a British passport holder, he/she will score based on how many British passports holders are already employed within the business, below example:

- 20 Points: Less than 5% British in the sponsoring company
- 10 Points: Between 5 to 25% British in the sponsoring company
- 0 Points: More than 25% British in the sponsoring company

It should also be noted that Permanent Residents (PR) are included in the above calculations, based on the passport registered with the Immigration and Checkpoints Authority (ICA). The numbers can be reviewed in the EP eService Portal and will be updated on the 6th of each month. To reduce risk of sudden fluctuations, an average of the last 3 months of available data will be used in the portal.

C.4 Support for local employment

Under this criteria, the hiring company will score based on the number of local PMETs. Local PMETs are any Singaporean Citizen or Permanent Resident (SC/PR) earning at least SGD 3,000 per month as declared to the Central Provident Fund (CPF) Board.

The sponsoring company will be compared to its peers in the classified sector and score based on the following:

- 20 Points: Sponsoring company is above the 50th percentile in its classified sector.
- 10 Points: Sponsoring company is between the 20th to 50th percentile in its sector.
- 0 Points: Sponsoring company is below the 20th percentile in its sector.



If the hiring company's share of local PMETs is 70%, it will score 10 points regardless of the classified sectoral benchmarks. This is because the 70% of local PMETs is the national average pegged to the 20th percentile.

Details about the sectoral benchmarks and number of local PMETs can be found in the EP eService portal. Sectoral benchmarks are expected to fluctuate and they are not released public-wide and can only be seen in the portal at this point.

C.5 Skills Bonus

If a candidate will be offered a role that is on the **Shortage Occupation List (SOL)**, another 20 points can be earned. Further, the candidate may qualify for a 5-year EP, but additional scrutiny will be put on the application.

Only 10 additional points can be scored if the candidate's nationality makes up more than 33% of the sponsoring company's PMETs.

C.6 Strategic economic priorities bonus

If the sponsoring company is taking part in an **eligible government programme** an additional 10 points can be awarded. However, this is only for the duration of participation in an eligible programme or a period of 3 years, whichever is shorter. After the 3 years, companies need to score at least 10 points each under C.3 and C.4 to remain eligible for bonus points.

EP eService Portal and Workforce Insights Tool

Much of the data needed to have oversight and analyse company score is available in the EP eService portal under the "Workforce Insights Tool". We encourage employers review this on an ongoing basis to ensure proper oversight and business continuity.

K2 comments and recommendations

We welcome this initiative and believe it will increase transparency on how EPs are assessed, both from a candidate & company perspective. We also recommend our clients to consider the below:

- **Oversight and analysis:** Ensure that someone within the business or an outsourced service provider has oversight of the company criteria to ensure risks can be identified and adjustments made. This can only be done by having access to the EP eService portal.

- **Stakeholders:** Ensure that company stakeholders are onboarded, such as recruitment and talent acquisition to ensure that the right candidates can be sourced based on the scoring framework.
- **Degree verifications:** Ensure that there is a process in place for degree verifications for new EPs being submitted from 1 September 2023 and renewals from 1 September 2024. K2 can support through a contracted degree verification agency. This may add on to the overall processing time as degree verification may take between 2-6 weeks (depending on the awarding institution's responsiveness).
- **Timeframes:** Overall, while COMPASS is being implemented, we recommend counting in additional time for EP processing in Singapore to be on the safe side.
- **SAT:** Make sure that running the new SAT forms part of the hiring process moving forward. K2 will run this as part of all EP application process to ensure eligibility, provided that we have access to the portal and supports immigration.
- **Fair Consideration Framework (FCF):** It is important to remember that COMPASS does not replace FCF in any way. Meaning that companies must continue to practice fair hiring, advertise on the MyCareersFuture portal and ensure candidates are considered fairly.

In case of any questions, please contact immigrationsingapore@k2corproatemobility.com and we will be happy to support. Please note that the information provided may have changed at the time of reading due to continuous updates by the authorities. It should not be taken as actual advise, and if advise is needed please reach out.



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