



Singapore Immigration Updates - Updates from MOM on COMPASS

Background

This is an update to our previous Alert on the Complementarity Assessment (COMPASS) Framework in November 2022.

Effective from 1 September 2023, the Ministry of Manpower ("MOM") will launch the COMPASS framework to determine foreign professionals' eligibility for Employment Pass ("EP") in Singapore. To recap, under the COMPASS framework, an applicant must score at least 40 points on four foundation criteria (i.e., salary, qualifications, diversity, and support for local employment) and two bonus criteria (i.e., skills and strategic economic priorities). The maximum score for each criterion is 20, except for strategic economic priorities, where the maximum score is 10.

The applicant can be exempted from COMPASS if they fulfil any one of the conditions below: -

- ▶ Earning at least S\$22,500 fixed monthly salary; or
- ▶ 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 to which Singapore is a party; or
- ▶ Fill a role on a short-term basis (i.e., one month or less).

The COMPASS framework will apply on 1 September 2023 for new applicants and 1 September 2024 for renewal applications.

Latest Developments

The MOM is imposing stricter verification requirements for EP applicants under the COMPASS framework. Today, MOM requires verification proof for applications that declare qualifications from institutions not found in MOM's database of accredited authorities.

To ensure that all qualifications declared are authentic, MOM is expanding this requirement to all EP applications where qualifications are declared to earn points under COMPASS. Effective from 1 September 2023, employers submitting new EP applications under the COMPASS are required to verify their candidates' diploma-level and above qualifications. The verification can be done through selected background screening companies, which will be listed on MOM's website. Alternatively, MOM will also accept verification proof obtained from online portals of countries' governments or educational institutions.

To qualify under the COMPASS framework, the proof of verification must be in English or translated in English by an official translation service provider. The verification must also confirm that the qualifications are authentic and issued by an accredited institution.

The verification requirement for renewal of existing EPs will be implemented from 1 September 2024.

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Skills Bonus (Shortage Occupation List)

In March 2023, the MOM released the inaugural COMPASS Shortage Occupational List ("SOL"). The SOL is developed to recognise EP applicants filling roles that require highly specialized skills and are currently in shortage in the local workforce. EP applicants who meet the SOL requirements can earn up to 20 bonus points on COMPASS.

Experienced tech professionals applying for Infocomm occupations under the SOL may also be eligible for a longer 5-year duration EP (generally EP is only granted 2 years for first time applicants) if they meet the eligibility criteria.

In order to qualify for the 5-year duration, eligible candidates* must fulfil all of the below criteria: -

- ▶ Fill specific tech occupations under the SOL;
- ▶ Earn a fixed monthly salary of at least S\$10,500 (for candidates aged 36 and above, the salary required increases with age, up to a maximum of S\$13,500 at age 45 and beyond); and
- ▶ Pass COMPASS and score at least 10 points on the diversity criteria.

*The MOM may conduct additional verification checks on past work experience and qualifications or industry accreditation that are relevant to the declared role.

Impact on Family Office's applicants

In general, most family offices established in Singapore do not require many headcounts to manage and operate in Singapore. To this effect, the MOM will award 10 points by default to the EP application for each of the foundation criteria under diversity and support for local employment, provided that the employer employs fewer than 25 PMET employees. Therefore, for small-sized firms with fewer than 25 PMET employees, the EP application will be awarded 20 points by default.

This means that the EP applicant will only need another 20 points, which can be obtained from the following: -

- ▶ Salary criterion;
- ▶ Qualification criterion; and/or
- ▶ Skills bonus under the SOL.

Salary Criterion

For salary criterion, the MOM has released salary benchmarks by sector. The salary benchmark is reviewed by the MOM on an annual basis, with the next update due in March 2024. For fund management services, below is the salary benchmark table.

Sector	Required salary for 10 points (benchmarked to local PMET salary at 65th percentile)		Required salary for 20 points (benchmarked to local PMET salary at 90th percentile)	
	Age ≤23	Age ≥45	Age ≤23	Age ≥45
Fund Management Services	S\$7,700	S\$17,100	S\$12,700	S\$41,200*

*EP candidates earning at least \$22,500 fixed monthly salary are exempted from COMPASS

The table shows the required salary for candidate aged 23 and below, and the required salary for candidates aged 45 and above. The required salary for candidates aged 23 to 45 increases progressively as they get older (the increase in salary required is the same for each additional year).

Our Comments

It is noted that the required salary level is quite high, hence if the salary for the applicant reaches \$22,500 or more, the applicant will be exempted from the COMPASS assessment.

Skills Bonus under SOL

Currently, financial/investment advisers (including for Family Office) fall under the SOL in COMPASS. Eligible applicants may be able to obtain a maximum of 20 points subject to the additional checks done by the MOM. These checks will be on the candidate's job duties, past work experience and qualifications or industry accreditation that are relevant to the declared role.

The MOM will be publishing an employer SOL guide to help employers understand the additional requirements for EP applicants who require the SOL bonus points to pass COMPASS. The guide will provide information on job description and duties, eligible job titles to be selected in the EP application form, and additional documents required for verification checks.

Our Comments

We believe that the MOM will check with the relevant government agencies to support and grant the skill bonus. For family office which have been granted the Single-Family Office Tax Incentive, support to be granted the skill bonus can be obtained from the Monetary Authority of Singapore ("MAS"). For Family Office without the incentive, MOM will have to seek alternative ways to confirm the Family Office status for the purpose of obtaining the bonus points under the SOL.

BDO will continue to monitor the above developments. Should you have any questions, please do not hesitate to contact one of our immigration professionals.

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