Practical consequences for firms and professionals

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Planning a team in Singapore

A financial institution that builds a team in Singapore must think about immigration from the outset. The qualifying salary, which rises with age, determines the minimum cost of each foreign hire. COMPASS determines whether an application will succeed, which depends partly on the composition of the existing workforce. A firm with a large share of one nationality among its PMETs will lose diversity points for further hires of that nationality. A firm with a local PMET share below that of its sector will lose points for local employment. Both conditions can be improved only over time, which makes workforce planning a strategic task.

For small firms, such as single family offices and external asset managers, the rules have particular consequences. A firm with fewer than 25 PMETs receives ten points by default on the diversity and local employment criteria. It must therefore earn the remaining twenty points from salary and qualifications, or from the bonus criteria. The tax incentives for family offices under sections 13O and 13U of the Income Tax Act, examined in Chapter E.III, also impose conditions on the employment of investment professionals. Immigration planning and tax planning are therefore

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linked for these structures. The licensing regime for fund managers and external asset managers, which requires competent and resident staff, is examined in Chapter E.V.

For individual professionals, the rules set out in this chapter mean that a career in Singapore requires continuous attention to qualifications. A representative who does not complete his or her annual CPD hours cannot continue to advise clients, while a private banker without CACS cannot serve clients of a private bank. A foreign professional whose salary falls below the rising threshold at renewal may lose his or her pass. Those who wish to settle should plan for permanent residence early, since its grant is discretionary and may take time.

Checklist for firms

- Determine the qualifying salary for each foreign hire by age and sector, and note the increase for new applications from 1 January 2027 and for renewals from 1 January 2028.
- Calculate the COMPASS score before making an offer, including the diversity and local employment criteria at firm level, and check whether the role is on the Shortage Occupation List.
- Check whether the candidate is exempt from COMPASS through a fixed monthly salary of at least S$22,500, an intra-corporate transfer or a short assignment.
- Advertise the position in accordance with the Fair Consideration Framework where required and document the assessment of local candidates.
- Prepare for the Workplace Fairness Act by reviewing recruitment, promotion and dismissal procedures for discrimination, including on grounds of nationality.
- Verify that each representative meets the minimum entry requirements of Notice FAA-N26 or the corresponding requirements under the Securities and Futures Act, holds valid CMFAS modules and completes the annual CPD hours.

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- For private banking staff, verify CACS certification and compliance with the Private Banking Code of Conduct.
- Use IBF-accredited courses and career conversion programmes, which reduce training costs and show commitment to the local workforce.
- Build a succession plan that develops Singaporeans for senior positions, which MAS and MOM increasingly expect from firms that benefit from the financial centre.
- Review housing, schooling and family pass arrangements for foreign staff, since these often decide whether they stay beyond their first contract.

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