Small Country & Branch Management
Design Principles

- IA Business Lines decide in which countries they want to operate with a local presence, either temporarily or on a permanent basis.
- Small Country and Branch Management defines and decides, together with the legal and tax functions, the legal form and the support model for such a presence.
- Cost related to open, run and close of a temporary or permanent presence shall be borne by the requesting Business Line(s).
- Cost related to manage a temporary presence (usually branch) shall be calculated upfront for the whole lifecycle and considered in business decisions.
- Local Management & Board functions for Legal Entities shall be reduced to the fiduciary minimum and covered, if possible, by Small Country & Branch Management team and GBS in a standard model applying best practices and economies of scale.
- Local Management functions for Branches shall be staffed by the project owning Business Line and supported with support services/coaching from Small Country & Branch Management team.
- Other ABB Business can be hosted in IA led temporary or permanent presences, however, full cost including a reasonable margin in line with tax requirements shall be covered. However, risk exposure and temporary entity closure shall not be compromised.
- IA can act in small countries as customer fronting unit for other ABB Businesses or Power Grids JV at arms lengths principle*.

*Arms length principle: as one would do business with and independent 3rd party.