

Annual Report for 2020

Stockholm International Peace Research Institute
Organization no. 802006-2660
(Unofficial English version)

Contents

THE MANDATE OF THE FOUNDATION	2
SIPRI GOVERNING BOARD 2020	2
DIRECTOR AND DEPUTY DIRECTOR 2019.....	2
AUDITORS.....	2
THE DIRECTORS ANNUAL REPORT 2020	3
INCOME AND ASSETS COMPARISON 2016-2020	9
DISTRIBUTION OF EARNINGS.....	9
EQUITY.....	9
INCOME AND EXPENDITURE ACCOUNT.....	10
BALANCE SHEET	11
ADDITIONAL INFORMATION	13
NOTES TO FINANCIAL STATEMENT	14

The mandate of the Foundation

Stockholm International Peace Research Institute (SIPRI) was established on 1 July 1966.

According to paragraph 2 of the Foundation's statutes:

'In accordance with the guidelines for the allocation of funds which the Swedish Parliament has approved in pursuance to Government Bills 1966:76 and 1979/80:106, the purpose of the Foundation is to conduct scientific research on questions of conflict and co-operation of importance for international peace and security, with the aim of contributing to an understanding of the conditions for peaceful solutions of international conflicts and for a stable peace.'

Considering the report from this year, the purpose of the statutes has been fulfilled.

SIPRI Governing Board 2020

Chair

Ambassador Jan Eliasson, *Sverige*

Members

Professor Dewi Fortuna Anwar (*Indonesia*) (until February 28, 2020)

Dr. Vladimir Baranovsky (*Russia*)

Mr. Espen Barth Eide (*Norway*)

Mr. Jean-Marie Guéhenno (*France*)

Dr. Radha Kumar (*India*)

Ambassador Ramtane Lamamra (*Algeria*) (from April 23, 2020)

Dr. Patricia Lewis (*United Kingdom*)

Dr. Jessica Tuchman Mathews (*United States*)

Governing Board meetings 2020

25 - 26 May 2020

16 - 17 November 2020

Director and Deputy Director 2020

Dan Smith, Director (*United Kingdom*)

Sigrún Rawet, Deputy Director (*Sweden*) (until July 31, 2020)

Joakim Vaverka, Deputy Director (*Sweden*) (from September 1, 2020)

Auditors

Appointed by the Swedish Government for the period 2018 – 2022:

Emilie Sleth, Chartered Accountant, BDO Mälardalen AB

Appointed by the Swedish Government for the period 2018 – 2022:

Anna-Karin Dahlén, Senior Advisor, Sweden's Ministry for Foreign Affairs

The Directors Annual Report 2020

Overview

In 2020, the global coronavirus disease 2019 (COVID-19) pandemic added a layer of challenges to a period already characterized by continued turbulence, geopolitically as well as regionally, featuring ongoing risks brought on by climate change, deteriorating arms control and emerging technologies. The pandemic and its knock-on effects brought into focus the links between health issues and peace, security and development. Against this backdrop of both expected and unforeseen developments, the demand for SIPRI's data, analyses, findings and recommendations remained high. Approaches and working methods had to be adapted to the unusual circumstances. While pandemic-related restrictions had a direct and immediate effect on the programmes that involve field research as well as outreach activities, a number of events and activities were successfully transformed into virtual formats, where innovative solutions were used to turn challenges into opportunities.

Highlights of the year included two of SIPRI's flagship events, the Stockholm Forum on Peace and Development in May and the Stockholm Security Conference in November, both of which were brought online out of necessity, but as a result managed to reach and involve a record number of participants from all corners of the world, adding additional perspectives and richness to discussions. As testimony to the important work that SIPRI has contributed in the field of climate change and security risks, I was invited twice, in February and in April, to brief the United Nations Security Council on climate-related security challenges facing the UN Assistance Mission in Somalia. Another highlight was the February consultation within the UN Peacebuilding Architecture Review, which was one of the last physical events hosted by SIPRI before the pandemic started to impact Sweden on a wider scale. Within the realm of a broader notion of peace and development, a virtual high-level event on crisis, conflict and climate was organized in October in cooperation with the UN Development Programme (UNDP), the Swedish Ministry for Foreign Affairs (MFA) the World Food Programme (WFP), and the Elman Peace and Human Rights Center, to coincide with the virtual UN General Assembly high-level week. Fewer than normal physical high-level visits to SIPRI were organized during the year, and they included Swedish Minister for Foreign Affairs, Ann Linde, Dutch Foreign Minister, Stef Blok, and HRH Crown Princess Victoria of Sweden.

Despite the abnormal circumstances, SIPRI continued to grow in staff numbers, activities and financial turnover. SIPRI welcomed one new member of the Governing Board, Ambassador Ramtane Lamamra, of Algeria. We also thanked Sigrún Rawet for her excellent work as Deputy Director during her tenure, and welcomed her successor, Joakim Vaverka.

Research

SIPRI research output remained high and essentially on track, despite the pandemic. Whereas some research projects were pursued with minimal disruption, others, notably those that rely on field-related activities, had to be adapted or put on hold. Conferences and seminars were conducted almost exclusively online while some meetings involving a limited number of participants could be held in person, generally in locations other than SIPRI.

During the first few months of the year, SIPRI established a new programme on the Middle East and North Africa (MENA). The programme aims to provide in-depth analyses of the political, social, economic and environmental drivers of conflict and pathways to peace in the region, with the purpose of informing those involved in, or planning, interventions. Research is used to develop recommendations on how to build pathways to peace. The MENA Programme's focus includes both regional and country level analyses, as well as in-depth local analysis, where it has long been identified that interventions have a better chance of success.

In February, SIPRI and the Swedish MFA co-hosted a thematic and regional consultation on the 2020 review of the UN Peacebuilding Architecture. The discussions took stock of progress made by the UN in

advancing core areas of sustaining peace and reflected on the impact of the UN reforms launched by the secretary-general in 2019. The conclusions of the consultation were provided to the UN as an input to the review. The meeting was attended by senior representatives from European Union (EU) and UN country teams and headquarters as well as civil society organizations.

In March 2020, the Global Registry of Violent Deaths (GReVD) launched a website and film introducing a consortium, co-convened by SIPRI and the Brookings Institution with ten other partner organizations (www.grevd.org), with the aim of creating a global account of all violent deaths, coded by time and location. The 2020 public roll-out of GReVD included seven virtual events (four at the Stockholm Forum, two at the UN75/Global Summit, one at the Alliance for Peacebuilding Peacecon). Through these events, the GReVD initiative promoted three notes and a report on the methodologies (and gaps) for estimating and counting violent deaths, which is essential for monitoring progress on Sustainable Development Goal 16.1. SIPRI works with consortium partners on visualizing data and missing data (known unknowns) to highlight the urgency of better monitoring violent deaths and mortality.

In May, SIPRI launched the Environment of Peace 2022 (EP 2022) initiative. EP 2022 aims to improve prospects for peace and security by focusing international attention on practical steps to address the negative impact of future environmental crises. The EP 2022 initiative is led by SIPRI under the guidance of a distinguished panel of international experts and is chaired by former Swedish Minister for Foreign Affairs and former EU Commissioner for the Environment, Margot Wallström.

In response to the COVID-19 pandemic, the Stockholm Forum on Peace and Development in May—its seventh edition—was the first ever to be held virtually. The theme of the Forum was ‘Sustaining Peace in the Time of COVID-19’. The Forum provided an opportunity to look at how peace and development efforts engage with global challenges—from climate change to inclusion—and to draw conclusions about the global pandemic. The virtual Forum worked with 42 partners to convene 44 high-level interactive dialogues, public panels and closed sessions, engaging participants from all corners of the world.

Finally, in November, the fifth edition of the Stockholm Security Conference, under the heading ‘International Cooperation: Navigating the Way Ahead’, was also conducted online. It addressed a wide range of issues related to trends in international cooperation and their implications for the future of international security and multilateralism. The high-level day was opened by Ambassador Jan Eliasson and Sweden’s Minister for Foreign Affairs, Ann Linde, delivered welcoming remarks. The conference brought together analysts and practitioners to explore both challenges and ways forward in navigating security related cooperation. Focus areas ranged from the Organization for Security and Co-operation in Europe (OSCE) to the UN and humanitarian actors, and from arms control to topics such as artificial intelligence.

Events

Related to its research activities, and in addition to its major conferences and workshops, SIPRI organized or co-organized many other events throughout the year. The following account serves as illustration:

- **January**
 - Co-hosted event on ‘Humanitarian Challenges in the Current Global Landscape—What’s Next for the 2020s?’ together with the Swedish Red Cross
- **February**
 - Briefed the UN Security Council on climate change-related challenges to the UN Assistance Mission in Somalia
 - Participated in the 2020 Munich Security Conference, holding a roundtable discussion on the theme ‘Artificial Intelligence and Strategic Stability’ (Munich, Germany)
 - Convened, in cooperation with the Friedrich-Ebert-Stiftung Kenya office, the Pan-African Climate Justice Alliance (PACJA) and the Swedish Embassy in Addis Ababa, two meetings of the Horn of Africa Climate Security Working Group to discuss climate-related security risks in the region (Addis Ababa, Ethiopia)

- Held, jointly with the Embassy of Sweden in Seoul, a launch event for the report, 'The Impact of Artificial Intelligence on Strategic Stability and Nuclear Risk–Volume II: East Asian Perspectives' (Seoul, South Korea)
- **March and October**
 - Hosted visits by HRH Crown Princess Victoria of Sweden for roundtable discussions with SIPRI's experts on topical issues on the peace, security and development agendas
- **April**
 - Briefed the UN Security Council in an Arria Formula debate, on the evidence of climate change as an element in insecurity
 - Held, together with the Stimson Center, a webinar presenting and analysing the latest trends in global arms transfers and military expenditure
- **June**
 - Joined a virtual Lancet–Swedish Institute for Global Health Transformation (SIGHT) Commission meeting focusing on the impact of COVID-19 on the Commission's work
- **August**
 - Co-hosted, together with the UN Office for Disarmament Affairs (UNODA), the webinar, 'The Tenth NPT Review Conference: Effective Measures for Nuclear Disarmament'
 - Co-hosted a virtual conversation with UN High Commissioner for Refugees, Filippo Grandi
- **September**
 - Organized the webinar series on 'The Strategic Triangle in the Arctic' to explore the implications of growing Chinese–Russian–United States strategic competition for Nordic and North East Asian states
 - Co-hosted, with the China Institute of International Studies (CIIS), a two-day webinar series on 'EU–China Relations in an Era of Connectivity'
 - Hosted a visit by His Excellency Stef Blok, Minister for Foreign Affairs of the Netherlands
- **October**
 - Co-hosted, with the UNDP, the Swedish MFA, the WFP and the Elman Peace and Human Rights Center, a virtual side event on 'Crisis, conflict and climate: From immediate humanitarian response to longer-term peace and development solutions' to coincide with the virtual UN General Assembly high-level week
- **November**
 - SIPRI was a thematic partner to the international conference on '2020. Capturing Technology. Rethinking Arms Control' holding a breakout session on 'The Military Use of Artificial Intelligence: Artificial and Real Challenges for Arms Control'
 - Hosted a virtual dialogue on the theme 'Towards Harmonized Approaches to Financing Green Development'
 - Briefed the inaugural meeting of the Informal Expert Group of Members of the UN Security Council on Climate and Security, discussing the impact of climate change on peace operations in Somalia
- **December**
 - Hosted a panel discussion on 'Local Understandings of Human Security: Evidence from the Field' during the virtual PAX Protection of Civilians Conference 2020
 - Hosted a virtual workshop on 'Nuclear Challenges in South Asia: Views from India, Pakistan, China, Russia, Australia, New Zealand and the USA'

Partnerships

Addressing today's multifaceted challenges requires international cooperation. The same logic leads SIPRI to combine efforts with other international institutions on joint activities towards shared goals. An important development in the last three years has been a number of new, major partnerships that SIPRI has entered into. Below is a brief summary of some of the partnership activities in 2020.

- SIPRI continued its knowledge partnership with WFP, which is aimed at building evidence on the relationships between conflict and hunger and defining WFP's contributions to peace. Current research consists of five thematic deep dives: stabilization, gender, climate change, cash-based transfers and measurement, focusing on nine countries. A number of planned reports were delayed due to travel restrictions resulting from the COVID-19 pandemic, but a new strategy for remote research will be implemented in 2021. Three workshops were held with external peacebuilding experts as part of the measurement deep dive. A report on Colombia was published in December, just in time for WFP being awarded the Nobel Peace Prize.
- SIPRI formalized its collaboration with the International Committee of the Red Cross (ICRC) through the signing of a Letter of Intent and held its first annual roundtable with ICRC, which focused on the relationship between climate change and armed conflict, and urban warfare. While providing an avenue for the genuine exchange of knowledge, experience and expertise, the roundtable also helped to identify potential areas of future research that would be beneficial for, and interesting to, both organizations. In addition to the roundtable, SIPRI also engaged with ICRC within the Stockholm Security Conference, where ICRC organized an opening panel. The panel brought together senior management from ICRC, WFP and the UN High Commissioner for Refugees (UNHCR) to discuss how challenges to international cooperation are impacting humanitarian operations.
- SIPRI continued its partnership with UNHCR by organizing a roundtable to discuss conflict and humanitarian issues in the Sahel region, as well as potential areas of future research in the Sahel. SIPRI also organized a virtual conversation with High Commissioner, Filippo Grandi, to discuss the root causes and trends of global displacement.
- SIPRI is the coordinator of the EU Non-Proliferation and Disarmament Consortium (EUNPDC), which is composed of six leading European think tanks. The Consortium established and promotes the European network of independent non-proliferation and disarmament think tanks of now 100 research centres from across Europe. In this framework in 2020, SIPRI also organized a webinar on Strengthening Non-proliferation and Disarmament Education in Europe and published six EUNPDC papers.
- SIPRI is, in close collaboration with the Norwegian Institute of International Affairs (NUPI), supporting the Norwegian MFA during its period as an elected member of the UN Security Council (2021–22). SIPRI and NUPI will provide reliable, relevant, timely and actionable knowledge on climate-related security and development risks for specific countries and regions on the UN Security Council agenda. On climate-related security risks, SIPRI has also continued to support the Swedish MFA and in 2020 also worked with the UN Environment Programme (UNEP) on water security and governance in the Horn of Africa.

Publications

In 2020, SIPRI published a total of 53 titles in a variety of formats on a wide range of themes, and over 40 online commentaries in varied formats.

SIPRI Yearbook 2020 served, as it does every year, both as SIPRI's flagship publication and as a key source of data and analysis on a range of peace and security issues. It is an enduring symbol of the institute's excellence and global reach. It is the single most trusted and respected, authoritative and independent source on armaments, disarmament and international peace and security. The SIPRI Yearbook is published through Oxford University Press. Full translations of the SIPRI Yearbook are

available in Chinese, Russian and Ukrainian, while summaries in 2020 were issued in Catalan, Dutch, English, Farsi, French, Italian, Korean, Spanish and Swedish.

Media

During 2020, SIPRI was covered in more than 26 000 global media outlets and over 3500 blog platforms in over 140 countries worldwide. SIPRI's Twitter account '@SIPRIorg' has more than 60 900 active followers and the institute's Facebook page has more than 24 600 likes. In 2020, SIPRI issued 62 major press releases and online announcements.

SIPRI organized five major data launches in 2020.

- In February, SIPRI launched a report with new SIPRI data on the scale of the Chinese arms industry, which generated over 1810 online news articles in 83 countries and 41 languages in the first five days alone.
- In March, the launch of SIPRI's data on international arms transfers was profiled in more than 1900 media outlets in 101 countries in the launch week alone.
- In April, SIPRI's military expenditure data launch received a coverage of more than 3210 media outlets during the launch week.
- In May, SIPRI launched for the first time the data on multilateral peace operations, which received close to 200 articles by major media outlets during the launch week.
- The June launch of *SIPRI Yearbook 2020*, with updated data on world nuclear forces, was cited in over 1650 media outlets during the launch week.
- In December, SIPRI launched its data on the internationalization of the arms industry which generated a total coverage of over 1840 articles in global media.

SIPRI's statement on the occasion of the 2020 Nobel Peace Prize on 9 October was covered in a record 1350 media outlets.

As a way to further highlight and diffuse SIPRI's research and activities, the institute continued to develop its film output. Through these productions, SIPRI strives to bring regional perceptions, voices and views into the global debate. SIPRI aims to further grow its body of film in the next year.

Topics for the Reflection series of films included perspectives on security in the Sahel, on the security situation and outlook in Central Mali, as well as on the control of autonomous weapons systems. Many of these films were accompanied by short Spotlight interviews presenting the distinct voices of the policymakers and practitioners onsite in Mali.

In addition, SIPRI produced more than 25 Spotlight interviews on various topics related to SIPRI's research, including a series of expert interviews on EU–China relations and connectivity.

SIPRI launched the Conversation series as a collection of conversation-style interviews with SIPRI experts. The aim of the series is to highlight issues pertaining to peace and security from an insider's perspective and provide further insight into the projects, methodologies and data that SIPRI experts work with. The first interviewee was Margot Wallström, Chair of the EP 2022 initiative launched by SIPRI in May 2020.

SIPRI's Peace Points episodes continued to be produced throughout the year on pressing global issues in peace and security.

Finance and administration

Despite the challenges posed by the pandemic, the cost implications could be kept under control. 2020 produced at surplus of 1 520 717 SEK, which will be added to the reserves. The overall turnover in 2020 increased to 90 420 482 SEK. The number of employees at the end of 2020 was 80, compared to the annual average number of 69 (59,2 in 2019).

The core grant from the Swedish Parliament, provided through the annual Swedish government budget allocation, remains as the cornerstone of the Institute's finances. The share of external grants in the overall turnover of SIPRI was 68 per cent in 2020, which illustrates the diversity of sources that underpin the Institute's finances.

During the autumn of 2020, SIPRI implemented a new financial system in order to meet the requirements of a growing organization.

Governance

SIPRI's growth, in staff numbers and financial turnover, continued in 2020. A total of twelve new staff members were hired, three as successors to departing staff members, and nine as new hires due to an expansion of research and activities.

SIPRI's Governing Board met in May and November according to its usual schedule, although both meetings had to be conducted online. SIPRI welcomed one new board member, Ambassador Ramtane Lamamra, of Algeria, while Joakim Vaverka succeeded Sigrún Rawet as Deputy Director of the institute.

During 2020, SIPRI drafted and adopted a new safeguarding policy which is an expression of the fundamental principle of Do No Harm. The institute has instructed staff to apply this principle when planning, implementing, concluding and following up on all research and other initiatives.

SIPRI's office building on Signalistgatan in Solna was sold by Gelba Management to Torslanda Property Investment, which assumed ownership on 1 December.

The historical memory of the year 2020 will forever be marked by two things: the global pandemic of COVID-19 and the election of Joe Biden to US President. The former infected nearly 100 million people in the course of the year and killed almost 2 million people. The latter suggests that energy in the international system for addressing globally shared problems such as conflict, climate change, hunger and disease might be on the rise. It is not yet clear how the themes of COVID-19 and cooperation will play out in the course of 2021. But it does seem that a year people routinely refer to in ordinary conversation as weird finished with some basis for optimism. For SIPRI, a challenging year nonetheless highlighted some of our key strengths, with a committed and expert staff, a wise and experienced Governing Board and persistent demand for our data, analysis and advice. As the world continues to change and face new challenges and new possibilities, SIPRI will continue to do its best to be of service.

Dan Smith
Director
February 19, 2021

Income and assets comparison 2016-2020

All figures in SEK

	2020	2019	2018	2017	2016
Net Income	90 420 482	87 675 833	85 422 778	69 861 049	62 887 829
Profit after financial items	1 520 717	1 437 066	5 440 923	321 173	-610 703
Operation (%) [*]	1,7	1,7	6,4	0,5	-1,0
Total assets	55 968 433	45 051 524	50 167 412	35 209 644	21 992 167
Cash ratio (%) [*]	131,8	137,3	125,1	113,9	124,4

*Definition of key performance indicators, see footnotes

Distribution of earnings

Proposal distribution of earnings

To the Assembly's disposal	12 214 718
Earnings	<u>1 520 717</u>
	13 735 435
The Board proposes to be carried forward	<u>13 735 435</u>
	13 735 435

Equity

Amount at the beginning of the year	12 214 718
Earnings	<u>1 520 717</u>
Balance at the end of the year	13 735 435

Regarding the foundation's results and financial position, we refer to the following financial statement and related disclosures.

Income and expenditure account

	Note	2020	2019
Operating income			
Net income	1	90 420 482	87 675 833
Total of Operating income		<u>90 420 482</u>	<u>87 675 833</u>
Operating expenses			
Direct external costs	2	-24 567 062	-31 037 684
Other external costs	2	-9 487 863	-9 560 922
Staff costs	3	-53 994 445	-46 117 882
Depreciation of tangible fixed assets	4	-428 815	-394 100
Other operating costs		0	0
Total of operating expenses		<u>-88 478 185</u>	<u>-87 110 588</u>
Operating profit		1 942 297	565 245
Income from financial items			
Financial income	5	41	872 883
Financial expenses	6	-421 621	-1 062
Total of income from financial items		<u>-421 580</u>	<u>871 821</u>
Profit after financial items		<u>1 520 717</u>	<u>1 437 066</u>
Change in capital this year		1 520 717	1 437 066

Balance Sheet

	Note	2020-12-31	2019-12-31
ASSETS			
Fixed assets			
Tangible fixed assets			
Equipment	4	320 029	621 329
Total of tangible fixed assets		<hr/> 320 029	<hr/> 621 329
Current assets			
Current receivables			
Accounts receivable		1 709 854	1 210 842
Current tax		0	0
Other short term claims		51 282	47 836
Prepaid expenses and accrued income		2 954 107	1 989 516
Total of current receivables		<hr/> 4 715 243	<hr/> 3 248 194
Cash and bank			
Cash at bank and petty cash		50 933 161	41 182 001
Total Cash and bank		<hr/> 50 933 161	<hr/> 41 182 001
Total current assets		55 648 404	44 430 195
TOTAL ASSETS		55 968 433	45 051 524

EQUITY AND LIABILITIES	Note	2020-12-31	2019-12-31
Equity			
Balance forward		12 214 718	10 777 652
Change in capital		1 520 717	1 437 066
Total equity		<hr/> 13 735 435	<hr/> 12 214 718
 Liabilities			
Long term liabilities			
Other long term liabilities		0	0
Total long term liabilities		<hr/> 0	<hr/> 0
 Current liabilities			
Accounts payable		5 174 115	6 135 363
Unused grants		29 100 247	20 199 745
Other short term liabilities		1 865 014	1 567 111
Current tax liability		518 701	343 239
Accrued expenses and prepaid income		5 574 921	4 591 348
Total current liabilities		<hr/> 42 232 998	<hr/> 32 836 806
 TOTAL EQUITY AND LIABILITIES		 55 968 433	 45 051 524

Additional Information

General Information

Accounting principles

The annual report was first prepared in accordance with the Annual Accounts Act and BFNAR 2012: 1.

Valuation Principles

Receivables

Receivables are recognized at the amounts expected to be received.

Other assets, provisions and liabilities

Other assets, provisions and liabilities are valued at cost unless otherwise stated below.

Revenue Recognition

The income is recognized at the fair value of the consideration received or receivable.

A conditional contribution is a contribution made subject to conditions that involve a repayment obligation if the condition is not met. Conditional grants are considered as liabilities until the costs they should cover arise.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any impairment losses.

The useful life is reviewed at each reporting date. The following useful lives are applied: 5 years.

Leases

Operating leases are calculated on a straight-line basis over the lease term.

Employee Benefits

Pensions

Defined contribution pension plans

Fees for defined contribution pension plans are expensed as incurred. All of SIPRI's pension plans are defined contribution plans.

Receivables and liabilities in foreign currency

Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate.

Exchange differences arising on the settlement or translation of monetary items are recognized in the income statement of the financial year in which they arise, as either an operating or a financial item based on the underlying business event.

Public funding

Public contributions are valued at the fair value of the asset that the company has received or will receive.

Government subsidies not linked to demands for future achievement, known as unconditional grants, are recognized when the conditions for the grant are met, that is usually associated with when the grant is received.

Government subsidies associated with the requirement of future performance, so-called conditional grants, are considered as a liability when the grant is received and recognized as income when the costs associated with the grant arises.

Notes to financial statement

Note 1 Net income

	2020	2019
Core Grant from the Swedish Government	28 402 000	28 402 000
Funding from external projects	61 862 516	59 050 051
Royalties	155 436	205 615
Other	2 530	18 167
Rental income	0	0
	90 422 482	87 675 833

Used project grants

	2020	2019
Swedish Government agencies	30 354 958	29 247 556
Other Government	14 324 559	11 227 608
Private research foundations	4 025 659	6 404 303
EU	7 359 710	7 659 868
UN and other international organisations	4 930 050	2 702 954
Other	<u>867 580</u>	<u>1 807 762</u>
	61 862 516	59 050 051

Note 2 Other external expenses

	2020	2019
Projects costs for funded projects	24 567 062	31 037 684
Administrative costs	<u>9 487 863</u>	<u>9 560 922</u>
	34 054 925	40 598 606

Note 3 Staff

Average number of employees

The average number of employees is based on the paid attendance hours in relation to normal working hours

Average number of employees has been	69,0	59,2
of which women	43,0	34,0
of which men	26,0	25,2

Among them where 31 (25) different nationalities represented.

Research staff were 46 (40).

Foreign contracted research staff are paid tax-free benefits under the Income Tax Act.

All employees are covered by the state collective agreement on pensions.

Gender distribution, board and management

	2020	2019
Number of board members	8	8
of which women	3	4
of which men	5	4
Number of management	7	7
of which women	4	4
of which men	3	3

Note 4 Machinery and other technical facilities	2020	2019
Opening cost	2 516 335	2 390 647
Investment for the year	127 515	125 688
Sales/disposals	0	0
Accumulated acquisition value	2 643 850	2 516 335
Depreciation	-1 895 006	-1 500 906
Sales/disposals	0	0
Depreciation of the year	-428 815	-394 100
Accumulated depreciation	-2 323 821	-1 895 006
Total carrying value	320 029	621 329
Note 5 Interest receivables and similar income	2020	2019
Interest	41	966
Exchange difference	0	871 917
	41	872 883
Note 6 Interest payable and similar costs	2020	2019
Interest	-1 279	-1 062
Exchange difference	-420 342	0
	-421 621	-1 062

Other notes

Note 7 Definition of key performance indicators

Operation % = Operating profit as a percentage of Net income

Cash Ratio % = Total Current assets as a percentage of Current liabilities

Note 8 Cultural Assets

SIPRI has borrowed artwork for its office at Signalistgatan 9, Solna, through the Public Art Agency Sweden. According to the Public Art Agency, the receiving authority must report artworks purchased after 2003, with a value exceeding SEK 20 000 in the balance sheet. The value of one of the artworks amounts to SEK 28 000 and was bought after 2003.

SIPRI is not regarded as an authority but is an independent foundation reporting according to the K3 rules and can therefore not recognize the value in the balance sheet.

Solna February 19, 2021

Jan Eliasson

Espen Barth Eide

Jean-Marie Guéhenno

Rahda Kumar

Ramtane Lamamra

Patricia Lewis

Jessica Tuchman Mathews

Our Audit Report was submitted on February , 2021

Emilie Sletth
Chartered accountant

Anna-Karin Dahlén
Senior advisor