

Research Staff Collegium

Date: 5 December 2025 at 10:00

Location: Conference Room

Minute-taker: Anna Masaříková

Minutes

Agenda (slightly adjusted due to Charlotta's absence)

- Preparations for the upcoming Governing Board meeting – short update by Sepideh (the full briefing on preparations for the meeting will be provided at a later session)
- Presentation of SIPRI's finances and budget overview
- Discussion on SIPRI's research agenda
- Update on the election process for the RSC Working Committee
- Any Other Business (AOB)

Preparations for the upcoming Governing Board meeting – update by Sepideh

- This will be the third Governing Board meeting of the year and will be held virtually
- The agenda focuses on the budget, risk register, and nominations for new Board members (two members' terms end in April)
- The meeting will be short, tightly structured, without staff interaction due to prior engagement earlier in the year
- Overall, a focused online session is expected

Presentation of SIPRI's finances and budget overview

- Karim noted that this session covers top-line figures and strategic issues due to time limits and Kristina's absence
- A detailed technical budget review with the finance team is scheduled for 11 December (13:30-14:30)
- Nikos emphasized that budgeting has been a collective process since August, thanking Operations, management, and staff
- 2025 status update: 2025 is projected to end with a ~2M SEK surplus, including database effects
 - Surpluses have not occurred since 2021, following major financial pressures: 18M SEK reduction in the Strategic Grant; 12M+ SEK in inflation, salary-related increases, baseline cost growth
 - Overall, 30M SEK in negative impact absorbed, largely mitigated by fundraising
- 2026 outlook: 2026 begins with an ~11M SEK negative starting position, driven by: 4M SEK rent increase; assumed 4M SEK decrease in Strategic Grant (from 14M to 10M; not confirmed); salary increases (~3%, +2M SEK); 1M SEK rise in admin costs (inflation + database depreciation)
 - Planned hires (7): 2 Research Assistants (Forum), 1 Production Manager (Forum), 1 EUNPDC V Manager, 1 Event Manager (A&D), 1 GAD Manager maternity cover, 1 Researcher (West Sahel)
 - Draft budget assumes a 10M SEK Strategic Grant; distribution model may be adjusted
 - Clusters can charge only 2% of salaries to SIPRI internal time; the rest must come from projects, the Strategic Grant, and fundraising
 - Detailed budget documents will be shared in next week's technical session

Income overview

- Core grant assumed to increase 1%, reaching 28.7M SEK
- Database assetization adds 3.2M SEK in income
- Strategic Grant assumed at 10M SEK
- Secured external projects: 44.5M SEK (up from 35M last year)
- Identified external proposals: 20M SEK (estimate based on probability; last year's similar estimate proved accurate)
- Unidentified external proposals (fundraising target): 14.6M SEK (higher than last year's 10M due to financial pressure)
- Other income sources (royalties, cluster funds, database license, etc.) total 1.1M SEK

Total income 122.1M SEK

Cost overview

- Admin/overhead: 20.1M SEK (up from 15M due to rent, inflation, and database depreciation)
- Internal time salary costs: 14.6M SEK
- Core-funded projects, including database-related costs: 11.5M SEK
- Strategic Grant costs: 8.7M SEK (difference up to 10M reflects overhead)
- Contracted external projects: 40.9M SEK
- Identified external proposals: 17.6M SEK
- Unidentified external proposals: 13.2M SEK

Total costs 126.6M SEK

- Consolidated budget view: salary costs 74.6M SEK (including planned hires), direct costs 31.9M SEK, overhead (positive value, as it contributes income to core) 8.6M SEK, admin costs 20.1M SEK
 - (Depreciation and assetization impacts for the database included in totals)
- Overall result
 - Operational deficit: 6.2M SEK (excluding assetization effect)
 - Formal deficit: 4.5M SEK (including assetization effect)
 - Assumes full achievement of 14.6M SEK fundraising target, which Nikos called ambitious
 - Total fundraising (secured + needed) is 34.6M SEK
 - Strong starting income reflects improved fundraising, but meeting targets will require substantial effort
 - Comparison with current-year performance will help assess feasibility
- Karim thanked Nikos and noted that the budget reflects a worst-case scenario, especially regarding the Strategic Grant, which is based on government signals rather than confirmed decisions
- The situation is difficult, but transparency is essential
- Karim outlined two potential approaches to addressing the deficit:

1. Cost-cutting (not preferred)

- Would be straightforward but highly damaging
- Risk of significant capacity loss, especially in already thinly staffed areas
- Cuts in core teams would undermine fundraising ability and essential functions
- Could reinforce a perception of institutional decline

2. Revenue-focused approach (preferred)

- Focus on increasing income through new ideas and activities
- Karim believes the 6.2M SEK deficit is serious but manageable with collective planning
- SMT is developing revenue ideas; none are yet formal
- A concrete revenue plan will be presented in early 2025 (late January/early February)

• Revenue ideas under development

- 1. Generate revenue from SIPRI's flagship events (Stockholm Forum, Stockholm Security Conference), as events currently create major costs (Forum ~2.5M SEK)
 - Potential measures include targeted fundraising, business-sector tracks, contributions from governments/embassies (some interest already), corporate sponsorship
 - Aim for cost recovery or budget neutrality
 - SSC will proceed only if adequate external support is secured
- 2. Increase dialogue funding
 - Ongoing discussions with current dialogue sponsor on raising contributions
 - Exploring additional dialogue funding sources
- 3. Corporate briefings and paid talks

- Assessing market interest in tailored SIPRI briefings or expert talks
 - Concept will be drafted and reviewed internally before any steps are taken
 - 4. Expand capacity-building and education
 - Build on existing initiatives and have active discussions with academies and research centres (especially following Gulf engagements, where there is interest)
 - Potential for 1-2 new activities in 2026
 - 5. Market scenario and horizon-scanning service
 - Proposal for governments and donors should use SIPRI's strengths: forward-looking analysis, market and geopolitical scenario exercises, and cluster-specific expertise
 - There is consistent demand from governments/donors for SIPRI's outlook
- Karim stressed full alignment with SIPRI's ethical due diligence policy – he reviewed the policy before joining and confirmed all concepts will strictly adhere to it
 - Nothing in the policy prevents developing these ideas for internal discussion
- Next steps include:
 - 1. Drafting a consolidated revenue plan (SMT will refine ideas into a plan by early February 2026)
 - 2. Period review and assessment (regular monitoring will determine whether revenue efforts are on track)
 - 3. Plan B (if revenue generation falls short, SIPRI must shift to cost-cutting measures as the fallback option)
- Diego expressed concern that Plan A depends on optimistic revenue assumptions; if revenues fall short, SIPRI may end up in Plan B by default
 - Asked for discussion on what types of revenue SIPRI is willing to pursue, as well as the ethical implications of funding sources
 - Noted external project funding has increased but does not address the core deficit and may be reaching capacity limits
 - Questioned whether SIPRI can sustain more project-based funding while maintaining core functions
- Vincent argued SIPRI cannot "wait and see"; Plan A and Plan B should be explored in parallel because Plan B processes (e.g., redundancies) take time under Swedish law
 - Suggested using this moment to reassess organizational structure, not only patch short-term problems
 - Revenue ideas previously struggled due to limited staff capacity; teams are already fully committed
 - Restructuring needs a clear mapping of needs vs. available capacity
 - Even with a February plan, effects may not materialize until mid-year, increasing uncertainty
- Karim acknowledged that timing is the central challenge – Plan B must be prepared early, but Plan A and Plan B cannot run in full parallel because they pull resources in opposite directions (e.g., freezing hires undermines fundraising capacity, and cutting event capacity undermines revenue generation)
 - SIPRI must choose one approach at a time, though management is open to hybrid ideas
 - Karim agreed structural problems exist but cannot be addressed until the crisis is stabilized
 - Some costs absorbed by clusters have been moved back to the core deficit for transparency
 - Some new initiatives may reduce cluster pressure (e.g., making Forum a funded project) and require limited staff involvement
- Nan highlighted that majority of the 6.2M deficit comes from fixed costs (rent, admin costs), therefore staff cuts won't meaningfully fix this
 - Additional revenue must cover rising core costs, not only project-specific expenses
 - The database subscription model is a missing revenue opportunity; scaling subscriptions could generate income
 - Asked who exactly is responsible for preparing the February plan
- Jules reiterated earlier idea of renting unused office space to offset rent-driven deficit – asked whether this remains under consideration
- Gretchen emphasized the importance of foundation funding as flexible, multi-year support that can stabilize operations; suggested prioritizing foundation management and benchmarking SIPRI against comparable organizations managing similar pressures
- Karim responded that foundation funding will be central in future strategy, ties into discussions on research orientation
 - Comparative institutional analysis will be part of strategic review
 - Encouraged staff contributions to revenue ideas

- Renting space remains an option
- SIPRI needs flexible but meaningful funding (e.g., dialogue funds, surplus-generating training programmes)
- A central issue is that core income does not cover core costs, which is a fundamental strategic problem; there is also a lack of long-term strategic fundraising and diversification
- Clarified that the February plan will be prepared by him (Director), Director's Office and SMT
- Simone raised concerns, stating that increasing reliance on project funding poses risks: loss of IP rights, clauses that may compromise independence, lack of legal support in negotiations, heavy workloads, tight deadlines, small teams, donor-driven timelines limit flexibility and risk output quality
 - Requested a broader discussion on long-term implications of a predominantly project-funded model
- Kheira asked for clarity on SIPRI's capacity to implement the number of events referenced; sought confirmation on whether capacity assessments are underway
- Pierre asked about: how corporate sponsorship would work; whether project funds must be fully spent within the year; whether SIPRI could establish a company for certain activities (legally possible, may allow higher service charges); who carries out due diligence on sponsors; Yearbook access methods and potential to reduce print copies; whether SIPRI has adequate legal/accounting support and whether such profiles should be presented on the Board
- Annika expressed concern that renting out space has not progressed despite clear potential; noted concern regarding the increase in the unidentified funding gap, which suggests the worst case may now be the baseline; warned about fundraising for two major events in the same year when SIPRI has not yet proven that one event can be sustainably funded
- Peter questioned how new initiatives align with SIPRI's core business, called for strengthening core operations and improving fundraising processes, raised concerns about workload and limited profit margins, and asked whether SIPRI's pricing model should be revised
- Karim acknowledged many questions require structured discussion – no clear answers at this time (many will come in the next planning phase)
- Karim agreed on urgency of addressing overreliance on project funding
- Detailed budget questions should be directed to the finance team
- Karim will be available intermittently before and after the holidays for smaller, focused meetings to answer questions or explore ideas (staff are encouraged to engage in these smaller discussions)

Discussion on SIPRI's research agenda

- Karim emphasized that this marks the start of a broader process to review and strengthen SIPRI's research agenda, building on momentum around revitalizing the RSC
- Proposed a bottom-up approach where ideas come from staff via clusters and the RSC – the agenda should be shaped by programme teams and researchers
- The 2024 Strategy Document provides high-level priorities but is not an operational plan; it allows broad flexibility and currently outlines three themes: 1. Battlefields of Today and Tomorrow, 2. Peacefields for the Future, 3. Geopolitics Meets the Local
 - These are largely categorization tools with minimal substantive framing, underscoring the need for a stronger overarching research narrative
- Karim outlined two core objectives for the upcoming bottom-up idea generation process:
 - 1. Continuous review and forward-looking agenda setting: reassess the current agenda on an ongoing basis, identify new issues, emerging global challenges, and potential areas for innovation in SIPRI's research portfolio
 - 2. Develop a coherent research narrative: provide a compelling narrative of SIPRI's priorities for use in high-level engagements and fundraising (to help articulate the relevance, coherence, and added value of SIPRI's work)
- Karim emphasized that this phase is about ideas, not project proposals or funding applications – ideas should address future strategic questions
 - The RSC will coordinate the process and gather input from across SIPRI
- Karim posed several guiding questions for idea generation:

- Interpretation of the three themes: What do these themes mean to staff? What narratives can describe future battlefields, peacefields, or local-global dynamics? Who are the actors, what are the trends, and what might future dynamics look like?
 - Alternative themes or reframing are welcome
- Critical issues to address: What key issues are broken and need fixing within these thematic areas? What is the relevance of peace research in addressing these challenges? What core strengths and competencies make SIPRI uniquely positioned to address them? Why SIPRI?
 - Consider both new topics and new global frameworks (e.g., conflict resolution, mediation, arms reporting, peace operations)
- Importance and relevance: Why are these issues important? How are they relevant, and what is the theory of change?
 - These questions mirror inquiries expected from high-level funders
- Karim stressed the need for stronger cross-cluster engagement
- SIPRI's 60th anniversary offers a moment for strategic positioning and narrative strengthening
- Recent donor conversations highlight the need for a stronger institutional narrative
- Karim suggested several potential products from this process:
 - 3-4 page narrative documents outlining the framing of the themes
 - Concept notes capturing new ideas that may later evolve into project proposals
 - A vision document in 2026 for SIPRI's anniversary, including a historical overview, major past achievements, and a forward-looking vision for the next decade
- Review of SIPRI's research agenda (bottom-up RSC process) will feed into long-term fundraising strategy
- Strengthening fundraising capacity, including future hires, will be important
- The SMT has not yet had time to review scenario exercise results
- Gretchen and Diego outlined ideas for structuring the process moving forward
 - They agreed that discussions should begin at the cluster level, then move upward: cluster-level discussions => cross-cluster exchange => consolidated discussion at RSC
 - Rationale: existing cluster conversations, avoiding repetition, and ensuring more structured and grounded inputs
 - Clusters encouraged to take similar approaches for consistency
 - Discussions should review existing projects and collaborations, how they map onto the strategic pillars, and whether the current "buckets" remain relevant
 - Elections for a new RSC Working Committee will take place shortly; consideration is needed for continuity between outgoing and incoming representatives
- Several comments and questions were raised:
 - Are the three strategic frames still useful?
 - Raised because geopolitics, environment, and funding contexts have changed
 - Vincent noted that his cluster has not actively used the Battlefields framing as it previously met internal resistance; themes were treated more as categorization than intellectual direction; warned against defaulting to existing frames without reflection
 - Peter stressed the importance of improving how clusters meet and work, not only what they discuss; suggested that improvements in process may be as important as content
 - Abeer asked whether the Board-adopted strategy allows reinterpretation or modification of the themes
 - Jiayi noted past substantial bottom-up work on Geopolitical Meets the Local and the need to build on previous outputs (rather than starting from scratch)
 - Kheira highlighted that previous strategy development lacked clarity, costing, and a resourced implementation plan; a strategy aligned with resources would strengthen planning, though feasibility now is uncertain
- Karim clarified that SIPRI has wide flexibility within the existing strategy; no need to rewrite it
- Themes can be reinterpreted, redefined, or replaced with new framings if they are bold, forward-looking, and able to shape SIPRI's future narrative
- Narrative is as important as topics: funders expect coherence and clarity
- Recent OSF meeting reiterated the need for a strong, institute-wide narrative
- Draft work plan includes generating ideas/narratives/concept notes through the RSC, building fundraising capacity and developing a strategic fundraising strategy

- The aim is to have these elements in place by late 2026 (earlier if possible)
- Staff encouraged to reflect over the holidays on new or revised themes

Update on the election process for the RSC Working Committee

- Gretchen reminded clusters to submit their nominees by Monday 8 December
- Elections will take place via a simple Microsoft Forms vote

AOB

- A question was raised about when strategic decisions and potential activation of Plan B are needed – Karim responded that the timeline is still under development and more clarity is to be expected after the holidays
- The next RSC meeting is tentatively planned for 20 January – staff asked to flag any scheduling issues
- Update on the nominations process for new Board members
 - Karim thanked all colleagues who submitted recommendations; additional nominations came directly from current Board members
 - SMT has not reviewed or assessed the full set of nominations, so no proposals were presented
 - As a result, no proposals or materials were available for discussion at this meeting
 - A fuller discussion will take place at the next meeting (once the SMT completes its review)