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Welcome to SIPRI’s 2014 Annual Review.

SIPRI’s vision is a world in which sources of insecurity are identified and understood, conflicts are prevented or resolved, and peace is sustained. Our mission is to help to make this vision a reality by undertaking research and activities in the field of security.

One year before SIPRI celebrates its first 50 years, the Institute continues to prove that it has established itself as one of the world’s leading research institutes focusing on international conflict, peace, security and development as well as armaments and disarmament. This was recognized in the global ranking of research institutes carried out by the University of Pennsylvania, which in 2014 once again placed SIPRI in the top echelon, this time as the sixth most influential think tank in the world—a position that we are very proud of.

In 2014 SIPRI continued to serve global audiences with well-respected, unbiased and authoritative research in ways that re-confirmed our position as a world leading research institute focusing on international peace and security.

I believe that, as the complex interplay between countries, societies, regions, corporations, cities and human beings, continues to impact on the world and international relations in ways that are both sudden and unpredictable, the need for SIPRI’s output is greater than ever.

It is with this conviction—that we must cultivate our strengths but also continue to adapt to a constantly changing world—that we approach our 50th anniversary in 2016.

Dr Ian Anthony
Director *ad interim*
In January 1814 Sweden signed the Treaty of Kiel with Denmark, according to which Denmark was to hand over sovereignty of Norway to Sweden. While the treaty established peace with Denmark, it led to Norway declaring independence in May and a short Norwegian–Swedish war later that year—the last occasion on which Sweden went to war.

Institutions to prevent and manage war form an important cornerstone of global peacebuilding. In 1964, Prime Minister Tage Erlander of Sweden put forward the idea of establishing a peace research institute to commemorate Sweden’s 150 years of unbroken peace. A Swedish Royal Commission proposed in its 1966 report to establish the Stockholm International Peace Research Institute, SIPRI.

The Swedish Parliament decided that the Institute be established on 1 July 1966 with the legal status of an independent foundation. In 2014 Sweden, and SIPRI, commemorated 200 years of unbroken peace.
Completed in 1914, the peace monument in Morokulien on the border between Norway and Sweden commemorates 100 years of peace between the two countries.
RETHINKING NUCLEAR SECURITY

Thinking on nuclear security has increasingly focused on reducing the risk of mass-impact terrorism carried out with either nuclear or radiological devices. In order to reduce this risk, various paths must be explored in parallel, including enhancing nuclear material physical protection, reducing stocks of highly enriched uranium and plutonium, consolidating the remaining material and strengthening the international legal instruments that govern these matters.

In advance of the 2014 Nuclear Security Summit in The Hague, government and industry representatives, as well as local and international experts, met in Stockholm to discuss the issues and problems related to nuclear security and the roles and responsibilities of actors—including states, industry and non-governmental organizations—to address them. **SIPRI's Disarmament, Arms Control and Non-proliferation Programme** conducts research into nuclear non-proliferation, biotechnology assessment, dual-use and arms trade controls, chemical and biological arms control, nuclear weapons and nuclear forensics.

SIPRI and the Dutch Embassy in Stockholm hold a seminar on nuclear security in anticipation of the 2014 Nuclear Security Summit in The Hague

**SIPRI Expert Comment**

Neil Melvin writes that the 2014 Olympic Winter Games in Sochi have become part of the conflicts in the Caucasus region

**SIPRI event**

**Stockholm.** SIPRI hosts a panel discussion on relations between Iran and the West following the Geneva interim nuclear deal

**Publication**

‘Peacekeepers at risk: the lethality of peace operations’, by Jaïr van der Lijn and Jane Dundon
Bottles of specialized oil used in centrifuges for separating high-grade uranium from natural uranium
Image: Flickr/IAEA
THE STOCKHOLM FORUM ON SECURITY AND DEVELOPMENT

The inaugural Stockholm Forum on Security and Development leveraged international state-of-the-art research and policy findings from think tanks and academics in Sweden and abroad, and showcased research and policy advice produced by this community at the intersection between security, peace and socioeconomic development. The conference also drew on Scandinavian traditions of discussion, interaction and collaborative knowledge creation.

The post-2015 global development agenda offers a unique opportunity to promote more secure, just and prosperous societies. Countries lagging on human development have often also lagged in other areas, including gender equality, security and governance. International consensus is still forming on global goals related to security, justice and governance, but the post-2015 process is an important opportunity to identify universal goals and targets.

SIPRI’s Security and Development Programme focuses on measuring security and peace in developing countries in order to contribute to the post-2015 framework and the development of peacebuilding and state-building indicators.

SIPRI and the Swedish Ministry for Foreign Affairs co-host the 2014 Stockholm Forum on Security and Development, with the theme of ‘Freedom from Violence’

SIPRI data launch

Paris. SIPRI and the Institut de Recherche Stratégique de l’École Militaire (IRSEM) co-host a roundtable on the global arms market to coincide with the launch of SIPRI’s data on international arms transfers, which is covered in more than 1100 news outlets worldwide

SIPRI Yearbook

Kyiv. Launch of the Ukrainian translation of SIPRI Yearbook 2013

SIPRI Expert Comment

Tariq Rauf asks whether the Nuclear Security Summit process will secure all weapon-usable nuclear materials

SIPRI in the media

Ipg-journal interviews Jaïr van der Lijn about the risks of peace operations

Social media

SIPRI’s Twitter account, @SIPRIorg, is now followed by 10 000 users
Swedish Minister for International Development Cooperation, Hillevi Engström, delivers the opening address at the 2014 Stockholm Forum on Security and Development.
TRENDS IN ARMAMENTS

The global arms market is changing. Western governments and defence companies are adapting to the effects of the 2008 economic crisis by devising new strategies to increase international sales. Major buyer states are using an advantageous market position to get more out of their defence transactions. This dynamic is reshaping key dimensions of the global arms trade, in a process that may have major consequences for the distribution of the world’s arms production capabilities.

According to SIPRI data, in 2013 world military expenditure totalled $1.75 trillion, a fall of 1.9 per cent in real terms since 2012. The fall in the global total came from decreases in Western countries, while increases in emerging and developing countries continued unabated.

SIPRI’s Armaments and Military Expenditure Programme monitors developments in military expenditure worldwide; highlights trends in supplier–recipient relationships; describes and analyses data relating to the world’s major arms-producing companies; and collates comprehensive data on nuclear weapons.
The share of world military expenditure of the 15 states with the highest expenditure in 2013

- USA, 37%
- Russia, 5.0%
- Saudi Arabia, 3.8%
- France, 3.5%
- UK, 3.3%
- Germany, 2.8%
- Japan, 2.8%
- India, 2.8%
- South Korea, 1.9%
- Italy, 1.9%
- Brazil, 1.8%
- Australia, 1.8%
- Turkey, 1.1%
- UAE, 1.1%
- Others, 21%

Nearly four-fifths of all military expenditure in 2013 was made by 15 states. Just 2 states made nearly half of all military expenditure.

An infographic from SIPRI's military expenditure data launch

www.sipri.org
SECURITY IN AND AROUND EUROPE

While the military dimension remains present in Europe, the security of European citizens, societies and states is no longer equated exclusively, or even principally, with the defence of borders from external attack or defending against attacks by internal armed groups. European countries continue to invest significant resources in maintaining and developing armed forces and military capabilities.

Current military developments in Ukraine also underline the continued relevance of the integrated set of arms control and associated politically binding confidence- and security-building measures (CSBMs) that were put in place in the 1990s. The Organization for Security and Co-operation in Europe (OSCE) and other actors have important roles to play in building long-term peace and stability in Ukraine and the wider region.

SIPRI’s European Security Programme analyses the European security discourse and seeks to deepen understanding of the ways in which it is changing. The programme places particular emphasis on the question of how to approach the management of transnational and non-traditional security problems.
Non-interference is one of the Five Principles of Peaceful Coexistence that is core to China’s foreign policy and to its self-image. But in a pragmatic and incremental adaptation to its globalizing economic and security interests, Chinese foreign policy is slowly shifting away from a strict interpretation of this principle.

However, the debate on China’s overseas interests and non-interference is far from over. The possibility of a dramatic policy change cannot be ruled out, as momentous and unforeseen events could precipitate change. China’s foreign policy could also strictly remain within the boundaries of non-interference. Its ultimate strategic choice will certainly have far-reaching effects on global governance and international security.

SIPRI’s China and Global Security Project aims to advance peace and security studies with a particular emphasis on China’s role and impact in global, non-traditional and transnational security.
China has acted as a mediator in conflicts in both South Sudan and Sudan, for example by sending engineers to join peacekeepers in Darfur.

Image: Flickr/UN Photo
SIPRI has built its reputation and standing on competence, professional skills, and the collection of hard data and precise facts. The Institute provides accessible and impartial information on weapons developments, arms transfers and production, military expenditure, as well as on arms limitations, reductions and disarmament.

SIPRI’s databases are renowned for their accuracy and reliability. The SIPRI Military Expenditure Database is based on open sources, including a SIPRI questionnaire which is sent out annually to all countries included in the database. The SIPRI Arms Transfers Database shows all international transfers in seven categories of major conventional arms since 1950, and is the most comprehensive publicly available source of information on international arms transfers in the world today.

The SIPRI Arms Embargoes Database gives information on all arms embargoes that have been implemented by an international organization. Finally, the SIPRI Multilateral Peace Operations Database offers information on all UN and non-UN peace operations conducted since 2000.


**SIPRI’s extended dataset** of military expenditure of NATO member states is now freely available online.

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**SIPRI activities**

- **Visby, Sweden.** Pieter Wezeman discusses the Arms Trade Treaty at the annual Almedalen week

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**Summer School**

- **Issyk Kul, Kyrgyzstan.** SIPRI and the University of Central Asia co-host a Summer School as part of the Life in Kyrgyzstan project

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**SIPRI Conference**

- **Seoul.** SIPRI and the Asan Institute co-host an international conference on initiatives to secure peace in North East Asia

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**New SIPRI monograph**

- *Security Activities of External Actors in Africa*, edited by Olawale Ismail and Elisabeth Sköns

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**SIPRI in the media**

- Xenia Avezov is quoted in a Deutsche Welle piece on the risks involved in securing the crash site of Malaysian Airlines flight MH17
The United Nations’ Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) conducts training for Mali’s National Guard and Police
Image: UN Photo/Marco Dormino
SIPRI'S GOVERNANCE

SIPRI’s statutes stipulate that the Institute ‘shall be headed by a Governing Board consisting of a Chairman, the Director of the Institute, and six to eight other members’. The Governing Board takes decisions on important matters concerning SIPRI’s research agenda, activities, organization and financial administration.

Alva Myrdal, who led the Swedish Royal Commission which recommended SIPRI’s establishment, was the first Chair (1966–67) of the SIPRI Governing Board.

The Chairman and all other members of the Governing Board except the Director of the Institute are appointed by the Swedish Government for a term not exceeding five years, after candidates have been nominated by the Governing Board, the SIPRI Research Staff Collegium and the staff unions. Their appointments may be renewed once, for up to five years.
Indian Prime Minister Jawaharlal Nehru (left), Ambassador Alva Myrdal (centre) and Swedish Prime Minister Tage Erlander (right) during Nehru's official visit to Sweden in 1957.
THE ARMS TRADE TREATY

On 25 September a group of eight states—Argentina, the Bahamas, Bosnia-Herzegovina, the Czech Republic, Portugal, Saint Lucia, Senegal and Uruguay—deposited their instruments of ratification for the Arms Trade Treaty (ATT), bringing the total number of ratifying states to 53. The ATT therefore entered into force on 24 December 2014—90 days after the 50th ratification.

SIPRI has been extensively involved in the ATT process for several decades, working with representatives of signatory and ratifying states, officials from regional and international organizations and members of civil society to identify, categorize and explain the mechanics of the treaty.

The ATT requires states parties to establish and maintain national control systems to regulate exports of ammunition.

Image: Flickr/ British Defence Ministry
THE IMPACT OF ANTI-VEHICLE MINES

As the international community explores the possible options for further regulation of anti-vehicle mines (AVMs), there is a need for more rigorous analysis of their impact on civilians and developing societies that are either in the midst of, or recovering from, conflict. In some countries, AVMs now present a greater threat to civilian populations than anti-personnel mines.

In 2012 SIPRI and GICHD instigated a long-term study to document the humanitarian and developmental impact of AVMs. The study involved a global survey process and detailed impact case studies in Cambodia, South Sudan and Afghanistan.

The final report from the project found that the negative impact of AVMs on stability and development is significant. It recommends continuing discussions on further regulating the use of AVMs to comply with existing principles of international humanitarian law, and exploring ways of ensuring that AVMs produced in the future include measures to enable detectability and record geographic coordinates of mines and minefields.
Demining personnel at a MineTech International demining site in Kuda, South Sudan, use red posts to indicate the boundaries of mine presence.
**SIPRI YEARBOOK ONLINE**

The SIPRI Yearbook on armaments, disarmament and international security is known worldwide as an authoritative and independent source for politicians, diplomats, journalists, scholars, students and citizens. The first edition of the SIPRI Yearbook was released in 1969, with the aim of producing ‘a factual and balanced account of a controversial subject-the arms race and attempts to stop it’.

The SIPRI Yearbook has been published by Oxford University Press (OUP) in print since 1985. **SIPRI Yearbook Online** now houses all editions of the SIPRI Yearbook published since 2010 in a modern and consolidated online platform, providing opportunities to reach new audiences via a simple, easy-to-use resource, and making the contents of the Yearbook accessible to more people than ever before.

The consolidation of the online format, and the authoritative status of the print edition, are complemented by OUP’s high-quality production processes. SIPRI Yearbook Online is available to institutions and individuals on a subscription basis. Visit [www.sipriyearbook.org](http://www.sipriyearbook.org).

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**SIPRI Expert Comment**

Richard Ghiasy writes on Afghanistan, arguing that the Istanbul Process is in urgent need of renewed attention.

**New SIPRI Background Paper**

‘Violence against healthcare workers in complex security environments’, by Rachel Irwin

**SIPRI lecture**

**Stockholm.** SIPRI hosts a briefing by the Armenian Foreign Minister, Edward Nalbandian, on security challenges in the South Caucasus.

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**SIPRI workshop**

**Stockholm.** SIPRI hosts a specialist event on the role of OSCE field missions.
SIPRI Yearbook 2014

The complete text of the SIPRI yearbook on your desktop
Easy-to-use and powerful searching
Effective deep linking to authoritative web resources
The authority of SIPRI whenever and wherever you are online
Find out how to access SIPRI Yearbook Online

About SIPRI Yearbook Online
The SIPRI Yearbook, written by authors who are experts in their field, is known worldwide as an essential and independent source for issues on armaments and arms control, conflicts and resolutions, security arrangements and disarmament, as well as longer-term trends in international security.

SIPRI Yearbook Online offers access to the SIPRI Yearbooks published from 2010 and onwards, all available on one, easy-to-use and fully cross-searchable resource. Discover more about SIPRI Yearbook Online with this digital brochure which includes a welcome letter from the director of SIPRI.

About SIPRI
SIPRI is an independent international institute dedicated to research into conflict, armaments, arms control and disarmament. Established in 1966, SIPRI provides data, analysis and recommendations, based on open sources, to policymakers, researchers, media and the interested public.

View the SIPRI web site

How to Access
SIPRI Yearbook Online is now available to institutional librarians for purchase or through an annual subscription, and to personal customers through a subscription: Find out how to get access to the site.

Print copies of the 2010-13 yearbooks contained tokens that gave access to some parts of this site. If you have a token, please register it to set up your access.
SIPRI’S OUTREACH ACTIVITIES

The dissemination of SIPRI’s research continued in 2014 through the many events held at SIPRI and at partner organizations, our website, our ever-increasing social media presence, and our strong presence in traditional broadcast and print media.

Throughout the year SIPRI maintained its established level of outreach and communication activities, publishing 9 major press releases, 9 expert comments by SIPRI Researchers and 11 essays in conjunction with the monthly SIPRI Update, as well as a series of targeted mailings and campaigns. Special emphasis was placed on increasing the Institute’s on-site presence in key cities for the SIPRI Yearbook data launches.

SIPRI’s Communications Department manages all of the Institute’s media and communication activities, including the launch of the SIPRI Yearbook, the maintenance of the SIPRI website and the Institute’s social media channels, and this Annual Review.

December 2014

SIPRI holds its fifth data launch for 2014, with a total of more than 13,000 media outlets in over 130 countries quoting SIPRI data throughout the year, reaching approximately 100 million people.

SIPRI in the media

Siemon Wezeman comments on the report regarding the downing of Malaysian Airlines flight MH17 for Der Spiegel, Die Zeit and others.

SIPRI data launch

Brussels. SIPRI launches its data on the world’s largest arms-producing and military services companies (the SIPRI Top 100) for 2013 at an event co-hosted by the Institute for European Studies and the Royal Institute for International Relations.

SIPRI event

Bamako. SIPRI and Conasipal host a one-day event to launch a new research report from SIPRI’s Mali Civil Society and Peacebuilding Project.

SIPRI in the media

Mathieu Duchâtel comments on China’s air defence zone in the South China Morning Post.
SIPRI co-hosted many events during 2014, including a seminar with Stockholm University entitled ‘Media in a political context: watchdog or propaganda instrument?’ held at the Filmhuset in Stockholm.
FACTS AND FIGURES

- The average number of employees at SIPRI in 2014 was 47, of whom 27 were men and 22 women
- In 2014 a total of 18 different nationalities were represented among the staff of the Institute
- The number of full-time research staff was 33 persons and during the year 23 interns and 6 guest researchers visited SIPRI
- SIPRI published 24 titles in 2014, including 8 on behalf of the European Union Non-Proliferation Consortium
- Full translations of the SIPRI Yearbook were also published in Arabic, Chinese, Russian and Ukrainian, and summaries in Catalan, Dutch, French, German, Italian, Spanish and Swedish
- On average, 1230 people visit the SIPRI website each day; the website recorded more than 1.7 million unique page views in 2014
- At the end of 2014, SIPRI counted over 15 600 followers on Twitter and more than 10 000 on Facebook, a twofold increase since 2012
- During 2014 SIPRI was quoted in approximately 13 000 media outlets in more than 130 countries
- The total readership of SIPRI’s media outlets was estimated to be over 100 million people in 2014
A snapshot of SIPRI's media highlights following a data launch.
### FINANCES

#### Income

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<th>Source</th>
<th>2014</th>
<th>2013</th>
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<tbody>
<tr>
<td>Grant from Swedish Government</td>
<td>24 431 000</td>
<td>24 397 000</td>
</tr>
<tr>
<td>Grant from other funders</td>
<td>29 226 646</td>
<td>27 126 492</td>
</tr>
<tr>
<td>Royalties and sales</td>
<td>134 040</td>
<td>115 014</td>
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<tr>
<td>Other</td>
<td>94 069</td>
<td>297 566</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>53 885 755</strong></td>
<td><strong>51 936 072</strong></td>
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#### Expenditure

<table>
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<tr>
<th>Expenditure</th>
<th>2014</th>
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<tbody>
<tr>
<td>Project expenditure from grants</td>
<td>–13 288 317</td>
<td>–12 196 039</td>
</tr>
<tr>
<td>Administrative expenditure</td>
<td>–9 932 258</td>
<td>–9 903 335</td>
</tr>
<tr>
<td>Staff costs</td>
<td>–31 786 491</td>
<td>–31 585 156</td>
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<tr>
<td>Depreciation</td>
<td>–127 367</td>
<td>–168 796</td>
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<tr>
<td><strong>Operating profit</strong></td>
<td>–1 285 968</td>
<td>–1 917 254</td>
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#### Financial income

<table>
<thead>
<tr>
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<th>2014</th>
<th>2013</th>
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<tr>
<td>Financial net amount</td>
<td>477 694</td>
<td>327 891</td>
</tr>
<tr>
<td><strong>Net profit/loss for the year</strong></td>
<td>–808 274</td>
<td>–1 589 363</td>
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The SIPRI building in Frösunda, Solna, was originally used by the Swedish Signal Regiment