Welcome to SIPRI’s 2017 Annual Review.

Risks to peace and security continued to increase in 2017. Nuclear weapons returned to the fore as they did in the 1980s, violent armed conflicts persist in many regions and the challenges posed by emerging military technologies erode safeguards of global peace.

SIPRI continues to adapt its work to meet this ever-changing global threat environment. The Institute remains unwavering in its mission to study and reflect on the range of risks to peace in the world. To this end, the number of research staff continues to grow, and the teams researching climate security, emerging technologies and nuclear weapons were reinforced during 2017.

In parallel with its world-renowned databases, SIPRI has continued to promote dialogue as a necessary step to finding solutions for peace. Events attracting diverse international participation such as the Stockholm Forum on Peace and Development and the Stockholm Security Conference are annual fixtures alongside SIPRI’s active series of discussion-led seminars.

To facilitate engagement with the Institute’s research, SIPRI’s outreach efforts matured further in 2017, and global media coverage increased with visibility in 140 countries. Encouragingly, SIPRI’s film content has been viewed for a total of 49 continuous days.

In the current climate, objective, evidence-based and reliable analysis is much needed. SIPRI remains committed to enhancing the opportunity for every policy maker, opinion leader and individual to pursue the conditions for peaceful solutions to conflicts and the road to stable, sustainable peace.

Towards peace,

Dan Smith
Director
ASIAN AND EUROPEAN SECURITY DYNAMICS IN FOCUS

As the year began with uncertainty surrounding the United States’ foreign policy direction under its new President, Russia and China’s growing cooperation in a number of key strategic areas became a topic of significant interest. This was coupled with a renewed focus on European cooperation with countries in Asia—not least through China’s Belt and Road Initiative—and the implications of such cooperation for international peace and security.

In January SIPRI responded to these developments by convening a two-day workshop with experts to discuss the rapprochement between Russia and China, and its impact on Asia and Europe. The following month, SIPRI launched a new report considering the security implications of the Silk Road Economic Belt.

SIPRI hosts a workshop on Russia–China rapprochement and its impact on Asia and Europe. The workshop attracted a diverse range of participants from 15 countries. Discussions covered non-traditional and traditional security challenges, including energy and development, cyberspace and terrorism, and nuclear and space development.

Dr Lora Saalman produces the report Factoring Russia into the US–Chinese equation on hypersonic glide vehicles.

SIPRI launches the publication Reintroducing Disarmament and Cooperative Security to the Toolbox of 21st Century Leaders.

SIPRI’s Arms Trade Treaty database is expanded by the inclusion of both Latin America and the Caribbean.

Session at SIPRI workshop ‘Russia–China rapprochement and its impact on Asia and Europe’ held on 17–18 January 2017.
SIPRI’s research on arms and military spending has been at the core of the institute’s work since its foundation in the 1960s. SIPRI’s data on international arms production, transfers and global military spending empowers researchers, policymakers and the public, allowing them to directly assess the current state of the arms industry. SIPRI researchers also analyse the data to identify trends and potential impacts on global security.

This work is largely based on three comprehensive and open-access databases: the Arms Transfers Database, the Arms Industry Database and the Military Expenditure Database. These exemplify SIPRI’s core values of transparency and universality as they use only open sources that can be independently checked and include data on nearly every country in the world. SIPRI also provides documents on all arms embargoes since the 1950s and national reports on arms export controls.

SIPRI data shows that total world military expenditure rose to $1.69 trillion in 2016, an increase of 0.4 per cent in real terms from 2015.

Data: SIPRI Military Expenditure Database (accessed 24 April 2017)

Note: All figures are approximate.
PERCEPTIONS OF PEACE IN MALI

Despite the peace agreement concluded between the Malian Government and two coalitions of armed groups in 2015, the factors causing instability in Mali continue to evolve. Despite the efforts of the UN Multidimensional Integrated Stabilization Mission in Mali (MINUSMA), the alleged success of the French Operation Serval (2013) and the ongoing Operation Barkhane, new groups of armed non-state actors have emerged in Mali. During 2017 the frequency of attacks increased and insecurity reached the central regions of the country.

Against this backdrop, SIPRI continued its in-country work in Mali in 2017 with the Bamako-based organization CONASCIPAL (National Coalition of Civil Society for Peace and the Fight against the Proliferation of Light Weapons). Together, SIPRI and CONASCIPAL set up a committee in 2017 to establish the first Civil Society White Book for Peace and Security in Mali. With the support of the Embassy of Sweden in Mali, they also launched the Malian Women’s Network for Security Council Resolution 1325.
SIPRI’s Governing Board

The SIPRI Governing Board makes decisions on important matters concerning SIPRI’s research agenda, organization and financial administration. The Governing Board is headed by the Chair who is appointed directly by the Swedish Government. At the end of April 2017, it was announced that Ambassador Jan Eliasson, former Deputy Secretary-General of the United Nations, would succeed the outgoing Chair, Ambassador Sven-Olof Petersson. Eliasson formally took up the post on 1 June 2017.

In 2017 there were two further additions to the SIPRI Governing Board: Espen Barth Eide, a Norwegian politician, academic and former UN Special Adviser on Cyprus; and Dr Jessica Tuchman Mathews, a distinguished fellow at the Carnegie Endowment for International Peace and formerly the President of that organization.

SIPRI launches a new short-film series, ‘Peace Points’, featuring SIPRI Director, Dan Smith. The series provides starting points for analysis on timely issues related to peace and security.

SIPRI event

SIPRI holds an event on ‘Europe and Iran after the JCPOA’ with HE Dr Majid Takht-Ravanchi, Iran’s Deputy Minister for Foreign Affairs.

SIPRI presents its final report on the ‘New Geopolitics of Peace Operations II’ in New York, following on from events in Addis Ababa and Brussels.

SIPRI launches new data on world military expenditure, showing increases in the USA and Europe, and decreases in most countries with oil-export dependent economies. In 2016 total military spending was estimated to be equivalent to 2.2 per cent of the global gross domestic product.

April 2017

Handover reception for Ambassador Jan Eliasson who succeeds Ambassador Sven-Olof Petersson as the Chair of the SIPRI Governing Board, 29 May 2017.
The 2017 Stockholm Forum on Peace and Development, co-hosted by SIPRI and the Swedish Ministry for Foreign Affairs, was held on 3 and 4 May. The annual event has become a major gathering point to share, discuss and problem-solve issues in peace and development by bringing together researchers, policymakers and practitioners from around the globe. The 2017 Stockholm Forum, with the theme ‘Sustaining Peace: What Works’, addressed the UN’s sustaining peace agenda and aimed to apply successful peacebuilding tools to fragile and conflict-affected contexts.

Topics included climate-fragility risks and conflict prevention, engaging the private sector in peacebuilding, preventing violent extremism, and the role of innovation and technology for sustainable solutions. SIPRI produced a series of Policy Briefs as well as recordings of the plenaries and an eight-minute film on the key messages. In the run-up to the event, SIPRI also published a series of blogs on relevant topics with Forum partners.
SIPRI YEARBOOK

The SIPRI Yearbook has been a regular and reliable source of information on peace and security since its first edition in 1969. Now in its 48th edition, it continues to be an authoritative and independent resource, covering developments in security and conflicts, military spending and armaments, and non-proliferation, arms control and disarmament.

SIPRI’s flagship publication presents and analyses data for the previous year, providing depth and nuance to previous coverage of the global arms trade, world military expenditure and world nuclear forces. In addition, it gives context and insight into an array of questions on peace and security confronting the world today. Key topics of analysis in SIPRI Yearbook 2017 include the latest trends in nuclear disarmament and non-proliferation, forced displacement in fragile contexts, and the UN’s sustaining peace framework. SIPRI Yearbook 2017 has summaries in Catalan, Dutch, French, German, Italian, Spanish and Swedish.

June 2017

A new SIPRI Policy Paper, Emerging Chinese–Russian Cooperation in the Arctic, by Camilla Sørensen and Ekaterina Klimenko, is launched. The report examines the evolving roles, interests and activities of China and Russia in the Arctic.

SIPRI co-organizes a summer school with the University of Central Asia on ‘Social cohesion: concept, implementation and evaluation’

Diego Lopes da Silva writes the blog post ‘How Brazil’s political and economic crisis affects its military spending’

Dr Damir Esenaliev and Gulshan Aytubek kyzy write the topical backgrounder ‘Eurasian Economic Union policies and practice in Kyrgyzstan’

SIPRI hosts an event on the global arms trade at an Arms Trade Treaty meeting in Geneva

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NUCLEAR WEAPONS AND NON-PROLIFERATION

The continued growth of North Korea’s nuclear programme meant that nuclear weapons were a key focus of 2017. In 2017 North Korea carried out more than 20 ballistic missile tests and 1 nuclear test as it seemingly moved closer to developing a nuclear-capable intercontinental ballistic missile. In addition, the so-called Iran nuclear deal faced severe pressure, despite reports from the International Atomic Energy Agency confirming that Iran was fully implementing it. However, there were also some positive developments, including the Treaty on the Prohibition of Nuclear Weapons opening for signature and the International Campaign to Abolish Nuclear Weapons (ICAN) receiving the Nobel Peace Prize.

Nuclear disarmament has been one of SIPRI’s main areas of focus since the Institute’s foundation. SIPRI’s Disarmament, Arms Control and Non-proliferation Programme promotes transparency in global nuclear armaments by releasing data on estimated nuclear weapon stockpiles around the world.

SIPRI launches new data on the state of global nuclear forces. The data shows that while the overall number of nuclear weapons in the world continues to decline, all of the nuclear-weapon possessing states are in the process of modernizing their nuclear arsenals and will not be prepared to give them up for the foreseeable future.

SIPRI’s Spotlight film series featured Beatrice Fihn, Executive Director of ICAN, 24 October 2017

Dr Tarja Cronberg writes the topical backgrounder ‘After 72 years, nuclear weapons have been prohibited’, in reaction to 122 states voting in favour of the Treaty on the Prohibition of Nuclear Weapons in the UN General Assembly

SIPRI’s publication A Fresh Perspective on Security Concerns among Malian Civil Society

SIPRI’s commentary Dr Ian Anthony writes the blog post ‘President Trump’s speech in Warsaw: Problematising “Western values” and the case for inclusivity’

SIPRI receives a grant from Carnegie Corporation of New York and MacArthur Foundation for innovative research on nuclear security in the Black Sea region

SIPRI commentary SIPRI comments on President Trump’s speech in Warsaw: Problematizing “Western values” and the case for inclusivity

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SIPRI OUTREACH

As SIPRI’s research agenda constantly evolves, it remains both timely and in high demand, informing policymakers, journalists, experts and the public. Dissemination channels include an active media and communications programme, seminars and conferences, a monthly newsletter and a renowned publications programme.

SIPRI continued to increase its video output in 2017, launching four new film series to cater for different viewing preferences and as an alternative platform to provide insights on peace and security. These films were developed alongside live streams of seminars on, among other topics, ‘Frontiers in climate, resilience and security’, ‘Nuclear multilateralism and Iran: What lessons can be drawn for EU policymakers?’ and ‘The Silk Road Economic Belt: Security implications and EU–China cooperation prospects’. SIPRI’s Communications Department also recorded and produced material from both the Stockholm Forum on Peace and Development in May and the Stockholm Security Conference in September.

SIPRI event

HE Nikola Dimitrov, Minister of Foreign Affairs for the Former Yugoslav Republic of Macedonia, visits SIPRI and discusses security challenges in the Balkans in a SIPRI Spotlight film

SIPRI commentary

Annelies Hickendorff, Aurélien Tobie and Dr Jaïr van der Lijn write the blog post ‘Success of Joint Force Sahel depends on local actor engagement’

SIPRI commentary

Ursign Hofmann, Emma Bjertén-Günther and Yeonju Jung write the blog post ‘A latent danger: The impact of anti-vehicle mines in modern conflict’

Live streams of events continued to be a core component of SIPRI’s outreach strategy in 2017
The second Stockholm Security Conference took place on 13–15 September and gathered together more than 200 policymakers, researchers and practitioners. SIPRI’s co-hosts were the City of Stockholm, the Swedish Parliament (Riksdag) and the Swedish Civil Contingencies Agency (MSB). The conference expanded on discussions from the previous year by exploring the theme ‘Secure Cities in an Insecure World’. Through workshops, panel discussions and open plenary sessions, the conference provided a platform to identify and assess how global security challenges relate to the city level and how cities respond to insecurity.

The conference featured dedicated sessions on topics such as the social and economic integration of refugees, tackling urban armed violence, protecting civilians in conflict, artificial intelligence for law enforcement, and preventing and countering violent extremism. The conference topics were notably global in their coverage, drawing on case studies and examples from six continents.
Peace operations and conflict management have been core elements of SIPRI’s work since the end of the Cold War. Currently, SIPRI’s work in this area has three main pillars: (a) peace operations data and trends; (b) the future of peace operations, as part of SIPRI’s New Geopolitics of Peace Operations project; and (c) gender and peace operations and conflict management. SIPRI has also undertaken evaluation and ‘lessons learned’ studies, as well as consultancies regarding topical peace operations issues.

SIPRI’s New Geopolitics of Peace Operations project continued into its third phase (NGP III). It aims to enhance understanding about UN and non-UN peace operations and their role in dealing with non-traditional security challenges, specifically, terrorism and violent extremism, irregular migration, piracy, organized crime and environmental degradation.
Current innovations in artificial intelligence, robotics, autonomous systems, additive manufacturing (3D printing), nanotechnology, biotechnology, material science and quantum computing are expected to bring social transformations of an unprecedented scale. How these technologies may be used in, and transform, the military and security realms is not yet fully understood and needs further scrutiny.

Monitoring the development of emerging military and security technologies is instrumental to understanding the future of warfare and global security. In November SIPRI launched a landmark mapping study to shed light on developments in autonomy in weapon systems and thereby provide important insights to inform international discussions. SIPRI also released other materials that help to support greater transparency in the area of weapon reviews. These included a film exploring the challenges posed by emerging technologies to the legal review process imposed by Article 36 of Additional Protocol I of the 1949 Geneva Conventions.

Dr Vincent Boulanin and Maaike Verbruggen publish a new report, Mapping the Development of Autonomy in Weapon Systems, which aims to shed light on the current developments in autonomy in weapon systems. The report provides important insights for informed international discussions.

Small robotic platforms such as drones have become accessible not only to the militaries of states but also to non-state actors and individuals.

Dr Jaïr van der Lijn features on a panel discussion on peacekeeping arrangements at the Dakar International Forum on Peace and Security in Africa.

Kolja Brockmann and Dr Sibylle Bauer publish the Background Paper, 3D printing and missile technology controls.

SIPRI hosts a roundtable featuring a keynote address from Ambassador Klaus Korhonen of Finland, President of the Third Conference of States Parties of the Arms Trade Treaty.

SIPRI publishes the blog post ‘From Hollywood to the battlefield: Violence against women affects us all’.

EMERGING MILITARY AND SECURITY TECHNOLOGIES

SIPRI publication
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CLIMATE CHANGE AND SECURITY

The effects of climate change are already taking their toll and, even with action to reduce climate change, the damage will continue to increase for decades. The relationship between climate change and insecurity is increasingly being recognized. Indeed, the World Economic Forum named the ‘failure to adapt and mitigate climate change’ as ‘the most impactful risk for the years to come’.

Against this background, SIPRI continued to develop its research on understanding the risks climate change poses to both human and state security. SIPRI released a SIPRI Reflection film to introduce why climate change matters for peace and security, and on 8 December hosted a high-level seminar on ‘Frontiers in climate, resilience and security’. The event was held in collaboration with the Swedish Ministry for Foreign Affairs and the Stockholm Resilience Centre and discussed response strategies to climate-related security challenges. Key addresses at the event were given by Isabella Lövin, Sweden’s Deputy Prime Minister and Minister for International Development Cooperation and Climate, and Margot Wallström, Sweden’s Minister for Foreign Affairs.

SIPRI convenes the annual EU Non-Proliferation and Disarmament Conference at Egmont Palace in Brussels. The aim of the conference is to encourage discussion within civil society—particularly among experts, researchers and academics—about measures to combat the proliferation of weapons of mass destruction and their delivery systems.

Dr Malin Mobjörk, Director of SIPRI’s Climate Change and Risk Programme, and Dan Smith, SIPRI Director, at a seminar on ‘Why climate change is an issue for the UN Security Council’, 19 October 2017

As a consortium partner of the Planetary Security Initiative (PSI), SIPRI played a key role in the third annual Planetary Security Conference, held in The Hague.

SIPRI organizes a workshop on ‘Japan–Europe–USA: Integrating cyber security and norms into critical infrastructure’.

SIPRI holds an event on ‘A future perspective on nuclear disarmament’ with Beatrice Fihn, Executive Director of ICAN, recipient of the Nobel Peace Prize in 2017 and Ambassador Rolf Ekeus, SIPRI Distinguished Associate Fellow.

SIPRI releases new data on the international arms industry, which shows the first annual increase in arms sales by the world’s 100 largest arms-producing companies since 2010.

Global Challenges Foundation

SIPRI event

SIPRI event

SIPRI event

SIPRI event

SIPRI event

SIPRI event
FACTS AND FIGURES

- The average number of employees at SIPRI in 2017 was 50, of whom 22 were men and 28 were women.
- SIPRI had 36 full-time research staff during 2017, with 19 different nationalities.
- Full translations of the SIPRI Yearbook were published in Chinese, Russian and Ukrainian, and summaries in Catalan, Dutch, French, German, Italian, Spanish and Swedish.
- At the end of 2017, SIPRI had over 35,000 followers on Twitter and more than 19,000 page likes on Facebook.
- During 2017 SIPRI was featured in over 22,700 news stories in 140 countries.
- SIPRI’s YouTube channel generated 49 days of total watched time and holds a viewership of over 24,000.
### FINANCES

#### Income

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<thead>
<tr>
<th>Source</th>
<th>2017</th>
<th>2016</th>
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</thead>
<tbody>
<tr>
<td>Grant from Swedish Government</td>
<td>25 402 000</td>
<td>28 402 000</td>
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<tr>
<td>Grants from other funders</td>
<td>43 546 163</td>
<td>33 501 961</td>
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<tr>
<td>Royalties and sales</td>
<td>127 428</td>
<td>164 763</td>
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<tr>
<td>Other</td>
<td>31 426</td>
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<tr>
<td>Rental income</td>
<td>754 032</td>
<td>744 306</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>69 861 049</strong></td>
<td><strong>62 887 829</strong></td>
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#### Expenditure

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<tr>
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<th>2017</th>
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<tbody>
<tr>
<td>Project expenditure from grants</td>
<td>–20 611 526</td>
<td>–15 962 386</td>
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<tr>
<td>Administrative expenditure</td>
<td>–10 563 554</td>
<td>–14 215 030</td>
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<tr>
<td>Staff costs</td>
<td>–37 738 384</td>
<td>–33 533 951</td>
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<tr>
<td>Depreciation</td>
<td>–357 589</td>
<td>–294 895</td>
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<td><strong>Operating profit</strong></td>
<td><strong>589 996</strong></td>
<td><strong>–1 118 433</strong></td>
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#### Financial income

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<th>Source</th>
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<th>2016</th>
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<tr>
<td>Financial net amount</td>
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<td>507 730</td>
</tr>
<tr>
<td><strong>Net profit/loss for the year</strong></td>
<td><strong>321 173</strong></td>
<td><strong>–610 703</strong></td>
</tr>
</tbody>
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