

INSTITUTE FOR SECURITY & DEVELOPMENT POLICY



ANNUAL REPORT 2019



Institute for Security &
Development Policy



DEAR FRIENDS AND COLLEAGUES,

In 2019, developments in ISDP's areas of expertise have seen ups and downs. Progress on the Korean Peninsula was stalled during the year by the freeze in U.S.-North Korean relations, and there is yet again uncertainty going into 2020. As always, there is a need for active diplomacy and strong support for further dialogue and engagement on the Peninsula. International relations in East Asia has been further colored by the continuing U.S.-China trade conflict and the crackdown on domestic dissent in areas such as Xinjiang and Hong Kong.

In Central Asia, developments have been more positive with Kazakhstan and Uzbekistan both remaining

on the road to reform. Responding to these developments will require more engagement and a willingness to revise outdated assumptions about the region. Turkey, however, keeps posing challenges to the EU and the U.S. over a wide range of areas covering geopolitics, migration, and human rights.

Across the Eurasian continent economic challenges are mounting, and the ambiguity of the U.S. global posture continues to complicate strategic planning. American allies, particularly South Korea and Japan, keep harboring doubts over the U.S.' willingness to cooperate. 2019 saw a global upsurge in the hot-button issue of climate change, which affects many of the

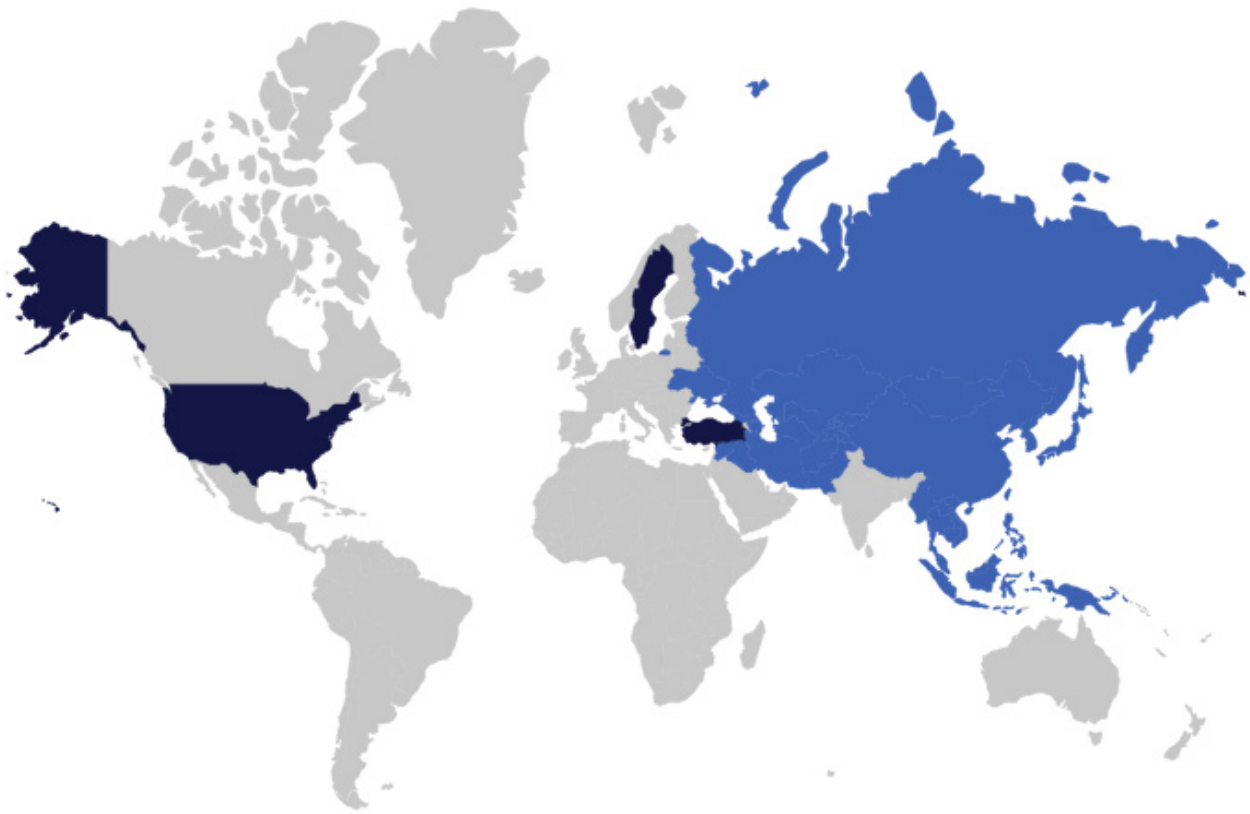
Institute's focus countries on both an economic and political level.

In all these areas, the need for solid analysis, in-depth discussion, and dialogue is apparent. ISDP has continued to bridge the gap between academia and policymakers by providing up-to-date analysis and a fora for discussion and debate.

We look forward to continually deepening cooperation with our sponsors and partners, receiving feedback, and meeting you at our events in the coming year.

Sincerely,

Niklas Swanström &
Svante E. Cornell



- ISDP Country Representatives
- ISDP Focus Countries

ABOUT ISDP

ISDP is a Stockholm-based non-profit and non-partisan research and policy organization operating through two permanent programs: the Asia Program and the Silk Road Studies Program. Within these two principal programs, work at ISDP is organized in Centers and Projects. Centers have a long-term scope and focus on larger thematic areas whereas Projects are established to deliver specific outputs with a deeper and more narrowed focus, within a short-term framework.

The Asia Program conducts research into security and development challenges in the Asian region with a focus on the sub-regions of Northeast, Southeast, and South Asia. As such, it carries out policy-oriented and practical research, facilitates confidence-building exercises, and organizes conferences and seminars. The main objectives are not only to be a bridge between academia and policy but to provide strategic insights and policy recommendations to decision-makers in governments, international institutions, and the private sector.

The Silk Road Studies Program runs a Joint Transatlantic Research and Policy Center with the American Foreign Policy Council in Washington D.C. The Program focuses on the western part of Eurasia, Central Asia, the Caucasus, Turkey, and Eastern Europe. The main activities and research are focused on state-building and political development, security and conflict, as well as the relationships between the regions and the West.

UNDERSTANDING AND ENGAGING

For over a decade, ISDP has worked to expand the understanding of international affairs in its areas of focus. Concentrating on the inter-relationship between security, conflict, and development, ISDP showcases its research through analysis as well as practical activities aimed at promoting dialogue.

Since 2007, the Institute has provided independent analysis to policymakers and other relevant institutions. ISDP functions as a focal point for academic, policy, and public discussion of its focus areas through applied research,

publications, research cooperation, public lectures, and seminars.

ISDP strives to work closely with governments and independent organizations located in its regions of study and to pursue extensive collaborative projects, such as through exchanges of researchers and the organizing of joint conferences.

The Institute holds firm to the conviction that an understanding of international affairs requires a deep and comprehensive knowledge of the culture and history of the regions

and countries under study, and continuous interaction with a broad cross-section of these societies.

2019 IN NUMBERS

1000+

MEDIA QUOTES

30+

EVENTS

80+

PUBLICATIONS

Independent thinking, strategic solutions

VISION & MISSION

ISDP's mission is to promote an understanding of the nexus between conflict, security and development in our regions of focus; inform and influence decision makers; provide analytical products and tools; and enable inclusive dialogue and debate.

ISDP's vision is to become a leading, inclusive and independent platform for analysis, dialogue and policy advice contributing to sustainable peace and development in its focus regions.

The Institute strongly believes in ethnic diversity, gender equality, and religious and political freedom and firmly stands by these values in all aspects of its work.



DOMESTIC CHANGES

Developments in the South Caucasus in 2019 focused on domestic change in all three countries. In Armenia, the government of Nikol Pashinyan began its efforts to dismantle the country's oligarchic system of government after taking control of parliament in a December 2018 election but faces resistance from elements of the old regime, as well as suspicion from Moscow. In Azerbaijan, efforts to shake up the country's government had begun in earnest in 2018, and accelerated in 2019, with the President retiring long-serving decision-makers and lifting

up a new guard of young, often Western-educated professionals. The focus is on making the country's economy more competitive to attract FDI and reduce dependence on oil and gas, which led to significant changes in governance of the economy. As for Georgia, the country's considerable progress in recent years was reversed as the governing Georgian Dream party appeared to strengthen its control over power structures, among other reneging on a commitment to change the country's electoral system ahead of 2020 elections. Thus, all three countries underwent dy-

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... all three countries underwent dynamic change in 2019, but developments there largely evaded the attention of Western policymakers.

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CAUCASUS

Across Central Asia and the Caucasus, the political stagnation that reigned for many years has been replaced by a reformist agenda that is affecting a number of regional countries. ISDP devoted much attention to this in 2018, releasing the first book-length analysis in any language of the reform process in Uzbekistan. This continued to be a focus of ISDP analysis in 2019.

In particular, ISDP turned its attention to developments in Azerbaijan and Kazakhstan. ISDP pub-

lished the first analysis of the reform process in Azerbaijan. It concludes that the government is undertaking a serious effort to improve the quality of governance in the country and make government more effective – while these reforms are not primarily intended to open up the country’s political system.

Similarly, in Kazakhstan, ISDP analysis highlighted newly elected president Kassym-Jomart Tokayev’s introduction of the concept of a “listening state,” and his pledge to reform the

country’s internal security structures to make the government more responsive to the population.



33%

turnout in Azerbaijani municipal elections

16th

Batumi Conference on July 11-12

77%

of Georgians support EU membership

A STEADY HAND: THE EU 2019 STRATEGY & POLICY TOWARD CENTRAL ASIA

Silk Road Paper, November, 2019



The EU has considerable potential to function as an engine for boosting Central Asian cooperation with both Afghanistan and the South Caucasus.

- Cornell & Starr

THE LONG GAME ON THE SILK ROAD: U.S. AND EU STRATEGY FOR CENTRAL ASIA AND THE CAUCASUS

Book, *Rowman & Littlefield*, 2018



the development of sovereign, economically strong, and effectively self-governing states in the Caucasus and Central Asia is an important goal in its own right.

- Starr & Cornell



REGIONALISM IN CENTRAL ASIA

Developments in Central Asia can best be captured by the twin, connected, concepts of reform and regionalism. The need for economic restructuring and development explains the push for both: for regional economies to overcome their land-locked status, diversify away from hydrocarbons, and prosper, Central Asian states understand they must reform their governance to make economies more attractive, while also working better together.

Following a first summit of Central Asian leaders in March 2018, bureaucrats

across the region worked to devise concrete mechanisms to advance regional cooperation. Among other, Central Asians sought to learn from ASEAN and other models of regional cooperation, and under the UN aegis, held an international conference in Tashkent at which ISDP participated to discuss the development of regional connectivity.

Finally, in November 2019, a second summit of Central Asian leaders was held, at which leaders resolved to set up concrete mechanisms for regional cooperation.

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...Central Asian states understand they must reform their governance to make economies more attractive...

CENTRAL ASIA

In June 2019, the European Union released a new Strategy for Central Asia, replacing a document that had initially been presented in 2007. ISDP took this opportunity to take stock of EU policy toward Central Asia, and in November published a Silk Road Paper on the subject. The study analyzed the evolution of EU relations with the region and provided a largely positive assessment of the way the EU has approached the region.

In particular, the EU has wisely continued to view Central Asia as a region, avoiding the temptation

to fold the region and its countries under other priorities. Instead, the EU's methodic approach has allowed it to focus its efforts on Central Asia and thus support the emerging spirit of regionalism. In addition, in spite of significant criticism, the EU has also stuck to a long-term approach to the building of democratic institutions in the region, and focused its efforts on supporting the emergence of prerequisites for democratization, such as economic developments and institution-building

The release of this strategy, however, comes as a new team takes charge of EU institutions. The continued success of EU policy in the region will depend on the extent to which the new leadership follows their predecessors in allocating time and attention to Central Asian affairs.



2nd

Central Asian
leaders summit held

20%

ethnic Russian
population in Kazakhstan

5

parties contended
elections in Uzbekistan

THE CAPTURE OF ATAMBAYEV AND WHAT IT MEANS FOR KYRGYZ POLITICS

CACI Analyst, July, 2019



Atambayev's expectation of Jeenbekov as an obedient figurehead turned out to be a grave miscalculation.

- Engvall

A STEADY HAND: THE EU 2019 STRATEGY & POLICY TOWARD CENTRAL ASIA

Silk Road Paper, November, 2019



Similarly, the development of statehood in Central Asia has allowed the regional states to develop relations not just with their immediate neighbors, but with the wider world.

- Starr & Cornell



TURKISH TURBULENCE

Turkey has gone through considerable turbulence in both its foreign and domestic affairs.

Internally, 2019 saw the consolidation of a new alignment in power, uniting President Erdoğan with the country's nationalist forces. But this alignment also gave birth to a countervailing opposition alliance, which managed to score a major upset by winning the municipal elections in both Ankara and Istanbul in summer 2019, and even overcome the government's attempt to invalidate the latter election. This suggested that the resilience of Turkish

democracy may have been underestimated.

Meanwhile, on the external front, Turkey's invasion of Syria and its implications for its relationship with the United States was the most salient development of the year. This key relationship soured to what is likely its lowest point ever, with the U.S. considering sanctions on Turkey and Ankara moving ever closer to Moscow. Uniting the external and internal front is the Kurdish issue, which is a major determinant of the governing coalition's priorities as well as the key motivation behind Turkey's policies in Syria.

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... Turkey's invasion of Syria and its implications for its relationship with the United States was the most salient development of the year.

TURKEY

ISDP's Turkey Center continues to focus on the reshaping of Turkish politics and on the implications of the Syria controversy.

The Turkey Center's main outlet continued to be the *Turkey Analyst*, a prominent source of analysis on Turkish affairs, and our experts also contributed analysis to a variety of international outlets, including *Foreign Affairs* and the *American Interest*.

A considerable portion of ISDP analysis focused on the centrality of the Kurdish problem both for Turkish domestic and for-

ign affairs. ISDP analysis highlighted how fear of the emergence of a Kurdish entity in Syria continued to drive Turkish foreign policy, including its rapprochement with Russia and its growing hostility to the United States. Internally, both the governing and opposition alliances had to contend with the emergence of the Kurdish vote as a swing vote capable of determining the outcome of closely contested elections, as was the case in the Istanbul municipal vote.

These dynamics are likely to continue to set the agenda for Turkey as long as the current Islamist-nationalist alignment remains in power.



54%

for opposition candidate in Istanbul election

82k

migrants attempted Turkey route to EU

16

year AKP rule in Ankara is over

TURKEY'S RUSSIA AFFAIR

Turkey Analyst, September 2019



Turkey is moving closer to Russia at a time when the West is beset by considerable turmoil.

- Kiniklioglu

THE RISE AND RISE OF THE TURKISH RIGHT

New York Times, April, 2019



The opposition coalition of the C.H.P., and its electoral partner, the Good Party – an offshoot of Mr. Erdogan's ultranationalist partner – is simply another version of the right-wing nationalism of the ruling coalition of the A.K.P. and the M.H.P.

- Karaveli



DEADLOCKED DIPLOMACY

If 2018 was marked by an unprecedented flurry of bilateral summits offering hope for a new dynamic and relations on the Korean Peninsula, 2019 was a year of frustrated diplomacy and cold reality checks.

The failure of the Hanoi Summit between President Trump and Chairman Kim in February illustrated the huge gulf in positions and perspectives on denuclearization, security guarantees, and sanctions. As U.S.-DPRK negotiations became deadlocked, so too inter-Korean relations and exchanges stalled with a return to missile testing and military exercises. Deepen-

ing relations between the DPRK with China and Russia also starkly illustrated the geopolitical dynamics at play which have long thwarted the building of a stable peace regime in the region.

While no substantive progress was made this year, all sides avoided a return to the dangerous security situation of 2017. All sides have calibrated their actions so as to leave a door for diplomacy open. However, with Kim Jong Un's end-of-year deadline to the United States, President Moon in South Korea facing difficult elections, and Trump's own re-election

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While no substantive progress was made this year, all sides avoided a return to the dangerous security situation of 2017.

campaign and impeachment proceedings, the outlook for the year ahead is very uncertain. A tentative breakthrough could yet be found on a more modest deal, or else we could be in for a lengthy period of strategic stalemate and even escalating confrontation.

KOREA

ISDP's Korea Center has two core aims: to promote informed understanding, dialogue, and debate on issues of peace, security, and development on the Korean Peninsula; and to function as a hub to advance knowledge, exchange, and cooperation between Korea and the Nordic region. As such, the Center continued to consolidate its profile and activities in 2019, in line with its ambition of becoming the leading center in the Nordic region for policy-oriented Korea studies and activities.

Maintaining strong networks with policy and research organizations

among all the relevant stakeholders to security issues on the Korea Peninsula, the Center provides an even-handed platform for constructive dialogue focused on supporting a peacebuilding process.

In October, the Center inaugurated its first Nordic-Korea dialogue to generate knowledge and networks on how the two regions interrelate on issues of peace, security, and development. It also convened an international seminar together with the Korean Women's Development Institute on the role of women in peacebuilding and sustainable development.

Additionally, the Center hosted a number of short and long-term visiting guest researchers from the Korean Peninsula to engage in research, networking, and collaborative activities. The Center's staff also continued to issue timely commentary and analysis to a broad audience to help inform the policy and public debate.



\$5bn

U.S. demand on ROK for defense cost-sharing

13

DPRK missile tests in 2019

36-0

Inter-Korean meetings in 2018 vs. 2019

THE ART OF COMPROMISE: PICKING UP THE PIECES AFTER HANOI

East Asia Forum, April 2019



Unilateral demands and prolonged stalemates are unlikely to force either Washington's or Pyongyang's submission and only further cement an unhappy status quo on the Korean Peninsula.

- Forss

DENUCLEARIZING NORTH KOREA: CHALLENGES AND OPPORTUNITIES AFTER HANOI

Focus Asia, September 2019



Inspecting and verifying North Korea's nuclear program will be a huge challenge for the international community.

- Lee



PATCHING UP PARTNERSHIPS

Over the course of 2019 China's leaders travelled the world to improve the many bilateral relationships that make up the web of modern Chinese diplomacy. At the same time senior officials in Beijing welcomed visitors from all over the world to sign memoranda of understanding and announce the deepening of various ties.

President Xi Jinping paid a visit to France and Italy at the beginning of the year, returning to Europe again in the autumn to visit Greece. The Chinese paramount leader also attended important regional summits in Kyrgyzstan

and Tajikistan. Premier Li Keqiang and Speakers of the National People's Congress Li Zhanshu also made their abroad, with numerous stops in places such as Norway, Austria, Russia, Uzbekistan, and Thailand.

These visits happened as the EU labelled China a systemic rival, and countries like the Netherlands and Sweden sought to toughen their stances on Beijing's strategies. Orwellian systems of mass detention, big data analysis targeted at minority peoples, and violence in Hong Kong have upped international pressure on China.

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...it is an open question how long the country can continue making up for its setbacks on the international stage.

Chinese diplomacy has gone into overdrive in response, but it is an open question how long the country can continue making up for its setbacks on the international stage.

CHINA

In 2019, ISDP has pursued efforts to create and promote new avenues for international cooperation and dialogue between China, Sweden and other European countries.

Throughout the year, the Institute has hosted several forums and dialogues ranging from Sino-EU and Sino-U.S. to regional cooperation and cybersecurity. In September, ISDP and the Central Institute for Party Literature and History (CIPHL) jointly organized the second edition of the China-Nordic High-Level Think Tank Forum, which was attended by several Nordic and Chi-

nese researchers. The Institute also organized a series of events as part of its new Transatlantic Perspectives project, with the notable participation of Bonnie S. Glazer of CSIS and Richard Weitz of the Hudson Institute.

ISDP and its China experts shared their in-depth knowledge and insights on security issues pertaining to China and the Asia-Pacific through several publications and reports. It also contributed to the academic and policy discourses on China's foreign relations by participating in high-profile international conferences, including

the China 9th Xiangshan Forum in Beijing.

With a view to fostering mutual understanding and critical dialogue between Europe and China, ISDP has continued to strengthen and expand its dense network of contacts, and has hosted visiting scholars and researchers from prominent institutions in China.



6.1%

GDP growth in 2019

12

state and informal visits by Xi Jinping

290

nuclear warheads in 2019

CHINA ANTI-POVERTY EFFORTS: PROBLEMS AND PROGRESS

Focus Asia, March 2019



Beijing has touted the "Chinese approach" as a suitable model for other countries struggling with widespread poverty.

- Diallo

CHINA AND THE EU: "STRATEGIC PARTNERS" NO MORE

Issue Brief, December 2019



... Beijing has for years been successfully operating on a strategy where it offers economic and financial carrots to individual EU member states...

- Berkofsky



MAINTAINING MULTILATERALISM

2019 necessitated sensitive diplomacy from Japan both globally and regionally. Its closest ally, the U.S., has not only left the Trans-Pacific Partnership (TPP), but also the Paris Agreement (UNFCCC) and the Joint Comprehensive Plan of Action (JCPOA) for Iran, all significant for Japan. Due to the new energy situation, which is a result of the earthquake and the tsunami in 2011, Japan has temporarily been forced to reconsider its commitments to the Paris Agreement, while staying loyal to its goals.

Despite U.S. policy shifts Japan has taken a leading

role in the implementation of the TPP and it remains a strong supporter of the JCPOA. As Japan tried to assist in keeping pressure on North Korea, the country's relations with South Korea have seen historical issues flare up again and distrust worsen between the two Asian democracies.

Relations with China have been relatively free of tensions and it seems that both countries have realized the importance of calm and stability at a time when the U.S.-China trade war is causing disruptions on a global scale. At the same time, China's growing influence both regionally and

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...a Euro-Asian counterweight to China appears to be forming.

globally has pushed Japan to seek closer ties with other important players in Asia, namely India. With the Strategic Partnership Agreement (SPA) and Economic Partnership Agreement (EPA) with the EU entering into effect, a Euro-Asian counterweight to China appears to be forming.

JAPAN

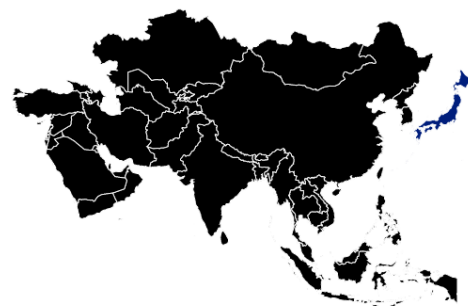
Over the course of 2019, ISDP's Stockholm Japan Center was involved in several events, capped by its joint conference with the European Japan Experts Association (EJEA) on Human Centered Digitalization in Graz, Austria. In March, ISDP held a public forum on the new SPA between the EU and Japan. This was followed by an event with former vice minister of foreign affairs Akiko Yamana-ka in May on Japan's Human Security policy.

Throughout the year, the Center published a number of shorter and longer articles, including several well-timed blog posts on

Japan's Asia-Pacific engagement and leadership in safeguarding the international order. Over the summer, the Center published two longer reads on Japan's intelligence policy and relations with and sanctions on Russia. Shorter publications during the year focused on Japan-South Korea relations, Japanese infrastructure investments internationally, and women in Japanese politics.

Additionally, ISDP Distinguished Fellow and Head of the Stockholm Japan Center Dr. Lars Vargö has throughout the year given numerous expert in-

terviews to Swedish and international news agencies, notably on Japan's response to North Korean missile tests.



8 years of Abe tenure, longest serving PM

1.1% rise in Japan's defense budget

€33bn added to EU economy by 2035 as a result of the EPA

POLICIES TO PLEASE POLITICAL PARTNERS: THE DEVELOPMENT OF JAPAN'S INTELLIGENCE POLICY IN THE 21ST CENTURY

Focus Asia, June, 2019



...it is worth questioning how compatible Japan's executive and political systems are with policies inspired by the West.

- Fishlock

INFRASTRUCTURE DEVELOPMENT IN THE INDO-PACIFIC: A JAPANESE STRATEGY FOR PORT-ABLE GOVERNANCE?

ISDP Voices, June 2019



While largely envisioned as an appealing alternative to Beijing's alleged debt-trap diplomacy, the manner in which Japan operates the construction process and gains control over these ports is largely not reported upon.

- Stünkel

ORGANIZATION

ISDP BOARD

The ISDP Board consists of high-level professionals and convenes three to five times a year.

Anna Wieslander

*Chairman of the Board
Director for Northern Europe,
Atlantic Council*

Jan Mörtberg

*Member of the Royal Swedish Academy of
War Sciences*

Agneta Bladh

*Former State Secretary in the Swedish
Ministry of Education*

Per Storm

*General Manager and Managing Director,
EIT RawMaterials North AB*

Per Eklund

*Deputy Chairman of the Board
Senior Fellow, ISDP*

ISDP OFFICE

Niklas Swanström is Executive Director and Svante Cornell is Director of the Institute, while Emma Petersen is the Chief Financial Officer. ISDP's main office is located at Västra Finnbodavägen 2, Nacka, Stockholm, Sweden. In 2019, ISDP consisted of 16 staff members, 10 men and 6 women.

INTERNSHIP PROGRAM

Each semester ISDP accepts four to six interns from all over the world to assist in the work of the Institute. The ISDP internship program offers the interns work experience in an international environment, encourages them to write and publish with staff members, and shoulder progressive responsibilities within the organization. During 2019, the 9 individuals from 9 countries enrolled in the internship program were:

Sharon de Cet
Stockholm China Center

Kathrine Jestng
Outreach & Publications Team

Yang Chen
Stockholm China Center

Mahika Sri Krishna
Stockholm China Center

Cristina da Costa Ferreira
Asia Program

Johannes Nordin
Stockholm Korea Center

Hayato Fujisaki
Stockholm Japan Center

Larissa Stünkel
Stockholm Japan Center

James Hannan
Stockholm Korea Center

VISITING FELLOWS PROGRAM

ISDP regularly invites visiting fellows to undertake research at the Institute. The Visiting Fellows Program provides opportunities for professional development to scholars and other specialists and networking opportunities in Sweden. During their stay, fellows conduct research on a topic related to the Institute's core areas. Through 2019 the following individuals participated in the Visiting Fellows Program:

Choe Hyon Do
Korea-Europe Association, North Korea

Lee Suhun
Ministry of Unification, South Korea

Gwak Gyeong Hwan
Ministry of Foreign Affairs, South Korea

Paek Song Chol
Korea-Europe Association, North Korea

Jo Hyun Hae
Ministry of Public Administration and Security, South Korea

Shi Lan
Xinjiang Academy of Social Sciences

Jung Soo Yeon
Institute for National Security Strategy, South Korea

Song Jung Il
Ministry of Justice, South Korea

Kang Hyun Jung
Ministry of Land, Infrastructure and Transport, South Korea

Yang Kunfei
Sichuan University

Lee Sang Hyun
Sejong Institute, South Korea

Yoon Soo Jung
Seoul Central District Prosecutor's Office

RECRUITMENT

During 2019, ISDP had the pleasure of recruiting the following new staff members:

Emma Petersen
Chief Financial Officer

Fatoumata Diallo
Junior Research Fellow

NEW RESEARCH COOPERATION

Institute for National Security Strategy, South Korea
Institute for Peace and Unification Studies, South Korea
Korean Institute for National Unification, South Korea
Korean Women's Development Institute, South Korea
Central Institute of Party History & Literature, China

FINANCIAL REVIEW

INCOME

The Institute has successfully maintained a diversified income base, and consequently reduced the risk of having a high dependence of one core funder. The funding from the Swedish Ministry for Foreign Affairs accounted for around 45 percent of the total revenue, a total of 13,3 MSEK. 2 percent of the revenue is linked to the Institute's taxable operations and the remaining 53 percent can be allocated from other funders, such as; Korea Foundation, Stiftelsen Riksbankens Jubileumsfond, NordForsk, and the Ministry of Foreign Affairs Japan, amongst others.

COSTS

During 2019, the focus has been on continued cost control. The Institute's greatest asset is its human resources. Personnel costs therefore continue to be a large part of the Institute's overall budget. It is vital that the Institute continues and develops this primary resource to maintain its current position as an attractive think tank for Swedish and international funders.

RESULT

The positive result of 144 TSEK in 2019, is in line with the Institute's plan for continued positive equity, which shows that the cost control and efficiency measures taken during the past years, have had an effect.

LOOKING AHEAD

The Institute's long-term budget and prognosis indicates that activities can proceed with continued effective results. ISDP will continue to focus on a diversified funding and create long-term, stable relationships with all stakeholders, as well as consistently aim to achieve high-quality outputs. Funding from Japan Bank for International Cooperation, Korea Foundation, and the Ministry of Foreign Affairs of Japan, amongst others, will continue into 2020.

AUDITOR

The auditor of ISDP is Micaela Karlström at Allegretto Revision.

FIVE-YEAR FINANCIAL OVERVIEW

	2019	2018	2017	2016	2015
Income*	13 319 078	14 276 102	17 693 389	19 772 263	18 156 719
Expenses**	13 175 042	14 144 056	17 435 253	19 289 181	17 874 763
Reported Results	144 036	132 046	258 136	483 082	281 956

*Incoming Resources including Revenue, Government Grant and Other Grants

**Resources Expended including Result (EBIT), Financial Revenue and costs, Appropriations and Tax

INCOME STATEMENT

	2019	2018
Revenue	673 132	617 981
Government Grants	9 092 729	7 855 686
Other Grants	3 553 217	5 802 435
<i>Total</i>	13 319 078	14 276 102
Costs		
Personnel Costs	-7 997 716	-8 148 672
Other Costs	-5 069 835	-5 943 342
Result (EBITDA)	251 527	184 088
Depreciation	-124 737	-117 743
Result (EBIT)	126 790	66 345
Interest, interest cost etc.	17 246	65 701
Tax	-	3,300
Net Result	144 036	132 046

BALANCE SHEET

ASSETS	2019-12-31	2018-12-31
<i>Fixed Assets</i>		
Inventories	101 304	47 756
<i>Total</i>	<u>101 304</u>	<u>47 756</u>
<i>Current Assets</i>		
Account receivables	27 461	259 345
Other receivables	32 039	-
Prepaid expenses and accrued income	1 076 060	640 508
Liquid assets	1 734 701	1 668 616
<i>Total</i>	<u>2 870 261</u>	<u>2 568 469</u>
TOTAL ASSETS	<u>2 971 565</u>	<u>2 616 225</u>

LIABILITIES AND EQUITY

<i>Current Liabilities</i>		
Accounts payable	352 961	172 428
Tax liabilities	16 189	10 109
Prepaid income	1 271 850	894 353
Other current liabilities	252 155	316 583
Interim liabilities	912 641	1 201 019
<i>Total</i>	<u>2 805 796</u>	<u>2 594 492</u>
<i>Equity</i>	165 769	21 733
<i>Total</i>	<u>165 769</u>	<u>21 733</u>
TOTAL LIABILITIES AND EQUITY	<u>2 971 565</u>	<u>2 616 225</u>

FUNDERS IN 2019

ISDP's work is strengthened by engaging with funders, who share the Institute's interests in interpreting and informing the policy debate. The support provided by funders to the Institute is invaluable and allows ISDP to expand and improve its work, and to sustain its independence. ISDP acknowledges and appreciates the funders' support and are humbled by their confidence in the Institute's work. ISDP seeks to cooperate with its funders concerning projects and deliverables. Nonetheless, ISDP does not accept influence or instructions by funders with regard to content or conclusions drawn in its analytical work or concerning the division of responsibilities in ongoing projects.

This list includes core funding and project support, as well as commercial contracts during the course of 2019.

FUNDERS

Japan Bank for International Cooperation	Ministry of Unification, South Korea
Korea Foundation	Natural Gas-Stream
Korean Women's Development Institute	NordForsk
Ministry for Foreign Affairs, Sweden	Stiftelsen Riksbankens Jubileumsfond
Ministry of Foreign Affairs, China	Taipei Mission in Sweden
Ministry of Foreign Affairs, Japan	U.S. Department of State
Ministry of Foreign Affairs, Kazakhstan	
Ministry of Foreign Affairs, South Korea	

IMAGE CREDIT

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