



Director's Introduction

PRIO Director Henrik Urdal



Photo: Nancy Bundt / PRIO

2021 was another year of extraordinary global limitations and challenges, and PRIO headquarters saw low levels of physical presence and activity throughout 2021 as the COVID-19 pandemic pressed on into its second year.

Ever resourceful, PRIOites found ways to adapt to the restrictions placed on us by the pandemic and have continued to make crucial contributions towards PRIO's mission to conduct research for a more peaceful world.

This is a mission we have pursued for over six decades, yet one that remains as pertinent and pressing today as ever.

Still strained by the pandemic, the world witnessed a number of events shaping global developments at the very heart of what we do at PRIO. At the beginning of 2021, concerns about the peaceful transition of power from the Trump to the Biden administration in the US came to a head when Trump supporters stormed the US Capitol building, resulting in the deaths of five people and a second impeachment trial against Donald Trump. Later in January, prominent Russian opposition figure Alexei Navalny demonstratively returned to Russia, having recovered from a failed poisoning attempt widely assumed to be the works of Russian security services. His politically motivated arrest was met with mass protests and followed by corresponding mass arrests.

Shortly after that, on February 1, the military in Myanmar staged a coup following the election in November 2020. The putsch was met with massive street protests and strikes all over Myanmar. After a month of daily peaceful mass-mobilizations, the police and military started a brutal and lethal crackdown.

PRIO has a long history of working with and in Myanmar, and many of PRIO's current and former partners and collaborators were active in the nonviolent resistance against the coup or otherwise affected. PRIO researchers contributed significantly to the public debate in Norway as well as internationally, and engaged directly with the Norwegian government and other stakeholders. Another country that has seen long-term PRIO engagement, Afghanistan, experienced a de facto regime change on 15 August, as the Taliban took control of the capital, Kabul. The country entered into a difficult period, with a dramatic humanitarian situation (due to the combined effects of sanctions, drought, Covid-19, and economic contraction), a severance of government capacity with resulting collapse of welfare services, and major concerns over fundamental human rights, independent media, and the justice system.

We were also reminded that political violence is something that not only happens far from home. This year marked the 10th commemoration of the 22 July terrorist attacks

in Oslo and on Utøya. Ten years after Norway was shaken by this national trauma, its legacy continues to be contentious. Research has an important role to play in helping us to understand and process such events, and PRIO researchers contributed to the public debate around the legacy of the attacks with posts on the PRIO Blog and participation in a conference on 22 July organized by the Center for Research on Extremism at the University of Oslo.

It has been heartening to see that PRIO expertise has been put to use in several international arenas this year, responding to the most pressing issues of our time. In connection with Norway's membership of the UN Security Council in 2021-2022, a Dialogue Forum coordinated by PRIO and the Norwegian Institute of International Affairs (NUPI) was established by the Norwegian Ministry of Foreign Affairs as an arena for exchange between researchers and policymakers on themes relevant to Norway's priorities on the Security Council. The Dialogue Forum organized a series of roundtable meetings. The first was held in April on the topic of global health and security while later roundtable meetings focused on climate change and security, Afghanistan, and UN peacekeeping operations. The Dialogue Forum is an invaluable opportunity to convert our knowledge into global impact through direct engagement around Norway's role on the UNSC.

PRIO research and expertise has also informed climate security policy. Several PRIOites contributed to the second part of the landmark Sixth Assessment Report of the Intergovernmental Panel on Climate Change, specifically to the chapter on 'Key risks across sectors and regions'. The report will be the source of reference on the social impact of climate change for many years to come. PRIO researchers also made important contributions to policy and public debate on the consequences of COVID-19 globally and in Norway. Several policy briefs and blog posts have been published on these topics, and PRIO researchers contributed in particular to the debate around the spread of COVID-19 among immigrants and ethnic minorities.

Still on the note of PRIO impact, in April I served as an expert witness at the International Court of Justice (ICJ) in the case of the Democratic Republic of Congo versus Uganda regarding the issue of reparations from Uganda to DRC for damage incurred during the Second Congo War. My role was to provide an expert opinion on civilian deaths on DRC territory during the conflict, based primarily on UCDP data. This is only the second time in its history that the ICJ has itself called on external expert witnesses in this role. It is encouraging to see PRIO expertise being put to use in such a setting.

Looking ahead, an important process will be the implementation of PRIO's new strategy for the period 2022-2025. The main aim of the strategy is to conserve, but also further cultivate and develop the best of PRIO. I look forward to work with the PRIO community and our partners in realizing this ambitious strategy over the years to come.



Working Towards a Safer World

Trine Skei Grande, Chair of the PRIO Board

As we approach the end of the greatest pandemic of our lifetimes, we have learned many lessons.

Closed borders and travel restrictions have taught us how crucial trade, travel and other international exchanges are for the welfare of all.

We live on a truly interconnected planet, where the health of someone in Norway can affect the health of another as far away as Nigeria.

No one is safe until everyone is safe

At the end of 2021, multiple parts of the world were engulfed in conflict and turmoil, from the war in Ethiopia's Tigray region to famine threatening Yemen. Tensions mounted between Russia and Ukraine, placing the risk of armed conflict on Europe's doorstep.

In times like this, the research on peace and conflict that institutes like PRIO carry out is more important than ever. World leaders and peace mediators are needed who can bring warring factions together to the negotiation table, and bring an end to armed violence. A knowledge-based debate and analysis that explains conflict and its underlying causes, is an important step in any peace process.

PRIO researchers contribute valuably to this understanding. They provide analysis we need to understand a crisis, and to find a way out of it. As fake news increasingly grabs headlines and social media bandwidth, peace and conflict researchers counter these false narratives by providing facts and figures.

I take real pride in the work being carried out at the Institute, and its efforts to better understand and explain international relations.

In 2021, Norway became a member of the United Nations Security Council. This has offered a great opportunity for our nation to contribute positively to the world society. I am proud of the contribution of PRIO researchers to Norway's representatives in the Council, helping them build a solid foundation for the key work they are doing.

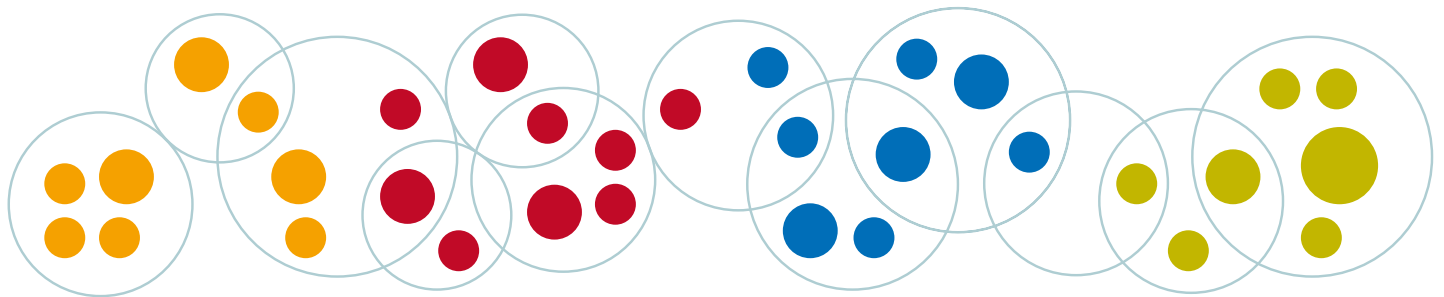
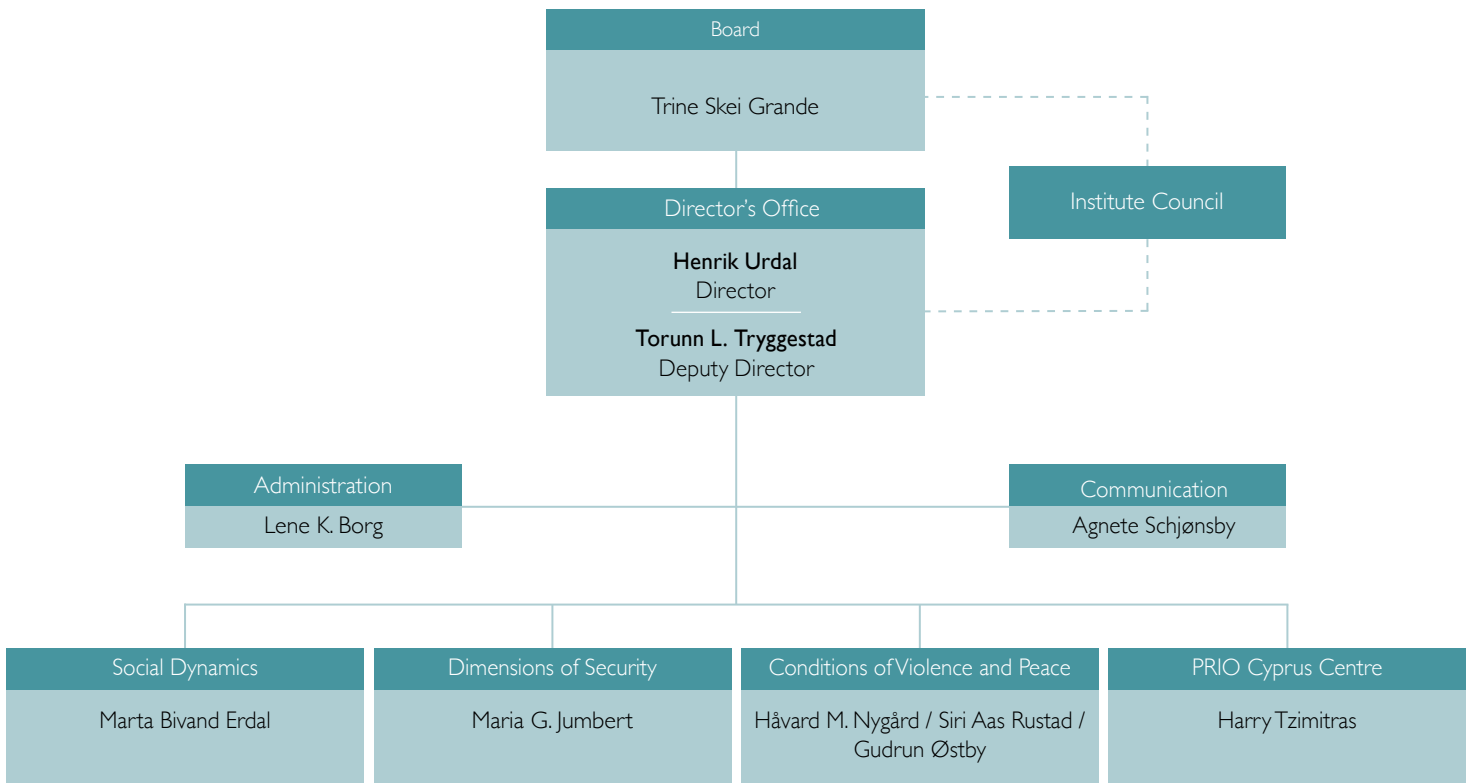


Photo: Indigo Trigg-Hauger / PRIO

Here is PRIO's Annual Report for 2021. We have a name that holds with great responsibility, in a time of great need. The demand for research that's focused on what brings societies together and what pulls them apart will be even more sought after in the year ahead.

PRIO Organization 2021

Structure



Research Groups

- Business and Peace
- Civilians in Conflict
- Conflict Patterns
- Gender
- Governance
- Humanitarianism
- Law and Ethics
- Media

- Migration
- Peacebuilding
- Regions and Powers
- Religion
- Security
- Urbanization and Environment
- Violent Organizations

Centres and Special Initiatives

- Conflict Trends
- Norwegian Centre for Humanitarian Studies (with CMI and NUPI)
- PRIO Centre on Gender, Peace and Security
- PRIO Centre on Culture and Violent Conflict
- PRIO Middle East Centre
- PRIO Migration Centre

● Projects administered by a specific Department ○ Cross-cutting thematic Research Groups

PRIO Annual Peace Address 2021

Jeffrey D. Sachs Why We Must Avoid a New Cold War and How to Do It

28 October 2021

Comments by: Sun Heidi Sæbø
Moderator: Henrik Urdal

The PRIO Annual Peace Address invites distinguished guests to reflect on how to contribute to the creation of a world in which violence is the exception and peace is the norm. The lecturers include scholars, policy makers, writers, artists and others with a distinct voice on peace and war matters on the world scene.

The PRIO Annual Peace Address is an important part of our efforts to create awareness, stir public debate and increase understanding about the conditions for peace in the world. We hope that the PRIO Annual Peace Address can challenge the peace research community by suggesting new measures and bringing new perspectives on peace and war. The questions asked and the answers sought can only be improved by critical challenges.

Previous Years

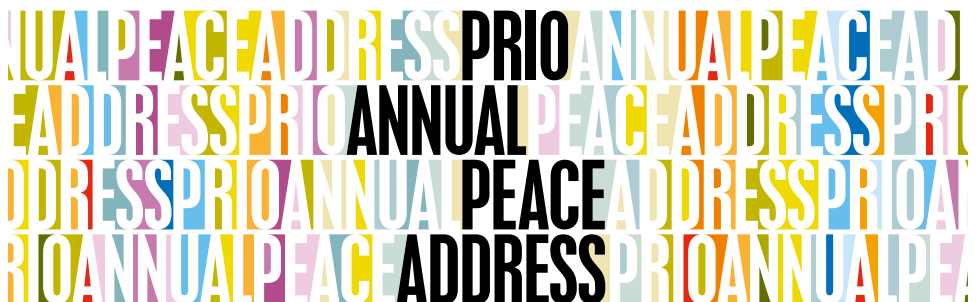
- 2020: **Hajer Sharief and Ilwad Elman:** Youth and Peacebuilding
- 2019: **Steven Pinker:** Enlightenment Now!
- 2018: **Debarati Guha-Sapir:** The Science and Politics of Death Tolls: Hunger, Disasters, and War
- 2017: **Obiageli 'Oby' Ezekwesili:** Education and Peace
- 2016: **Francesca Borri:** The Journalistic Contribution to Peace
- 2015: **John Mueller:** The Dangers of Alarmism
- 2014: **Paul Collier:** Civil Conflict: What Are the Current Risks, and What Are the Realistic Solutions?
- 2013: **Jody Williams:** The Power of Global Activism
- 2012: **Azar Gat:** Peace for Our Time?
- 2011: **John Lewis:** The Role of Nonviolence in the Struggle for Liberation
- 2010: **Jon Elster:** Justice, Truth, Peace



Jeffrey D. Sachs.
Photo: Angélique Culvin / PRIO



Discussion between Jeffrey D. Sachs and Sun Heidi Sæbø moderated by Henrik Urdal.
Photo: Angélique Culvin / PRIO



Strategic Goals

2018–2021

As an independent, international and interdisciplinary research organization, PRIO is positioned to provide exceptionally high-quality knowledge; we not only strive for excellence in our scientific and applied work, we also approach research agendas with a strong sense of purpose. We aim to strengthen the research agenda that brings us closer to a world in which peace is the norm, and violence the exception.

Research

#1 Be an incubator for innovative peace research

#2 Produce academic research of the highest international quality

#3 Remain an international leader in open science and transparency

Operations

#4 Strengthen investment in human resources at PRIO

#5 Develop and follow best practices in our use of technology

#6 Ensure healthy finances

Outreach

#7 Further enable research communication

#8 Inform evidence-based policy

#9 Contribute to high-quality teaching and training

Report from the Board 2021

The purpose of the Peace Research Institute Oslo (PRIO) is to engage in research concerning the conditions for peaceful relations between nations, groups and individuals.

Since its foundation in 1959, PRIO has played a central international role in developing peace research as an important academic discipline. PRIO is led by Director Henrik Urdal. Torunn Lise Tryggestad serves as Deputy Director.

The members of PRIO's Board of Directors in 2021 were as follows: Bernard Enjolras, Tuomas Forsberg, Bjørn Kjærland Haugland, Ragnhild Helene Hennum, Damian Laws and Lynn Parker Nygaard, with Trine Skei Grande as Chair of the Board. The Board of Directors convened a total of five times in 2021.

Liability insurance has not been taken out for the Director and the Board of Directors, to cover any legal liability that they may face towards the Institute and third parties, ref. the Norwegian Accounting Act §3-3a (11).

PRIO is based in offices in Oslo. In addition, the Institute has a branch office in Nicosia, Cyprus, home to the PRIO Cyprus Centre.

The research at PRIO is organized into research groups, projects and departments, of which the research groups serve as a driving force in innovation and project development. The research groups are structured thematically, reflecting the Institute's research agenda. At end of 2021, PRIO has 15 research groups:

- Business and Peace
- Civilians in Conflict
- Conflict Patterns
- Gender
- Governance
- Humanitarianism
- Law and Ethics
- Media
- Migration
- Peacebuilding
- Regions and Powers
- Religion
- Security
- Urbanization and Environment
- Violent Organizations

In addition, the Institute has established five Centres for research of more applied nature:

- The PRIO Centre on Gender, Peace and Security
- The Norwegian Centre for Humanitarian Studies
- The PRIO Centre on Culture and Violent Conflict
- The PRIO Middle East Centre
- The PRIO Migration Centre

The value generated by the research projects constitutes the basis for the Institute's operations, and both the research staff and the projects are anchored in the three research departments:

- Conditions of Violence and Peace
- Dimensions of Security
- Social Dynamics

PRIO owns the two world-class journals Journal of Peace Research (JPR) and Security Dialogue (SD), both published by SAGE. Furthermore, PRIO staff play key roles in the editorial teams of the journals International Area Studies Review and Journal of Military Ethics.

COVID-19, with imposed quarantines, travel restrictions and home office has affected the Institute's operations also in 2021. During the COVID-19 crisis, PRIO has kept a particular focus on maintaining everyday operation, progress in its research projects, and development of new projects and the Institute is well positioned for the future. In 2021, the following research output is emphasized:

- 6 scientific monographs/books (7 in 2020)
- 85 peer-reviewed articles in international journals (67 in 2020)
- 24 articles in anthologies/collections of articles (38 in 2020)
- 2 doctoral degrees completed (4 in 2020)

Total operating revenue for the Institute was NOK 142 million, compared to NOK 124 million in 2020. The financial statements for 2021 show a net surplus after tax of NOK 16.6 million. By comparison, the financial statements for 2020 showed a net surplus after tax of NOK 11.9 million. The surplus will be transferred to equity, which will subsequently total NOK 151 million, equivalent to 57% of total capital.

In 2021, the core grant represented 15.8% of the Institute's operating revenues. A further 45.2% of revenue came from the Research Council of Norway through ordinary project grants. The Norwegian Ministry of Foreign Affairs (MFA) is one of the most important contributors to PRIO's activities. Project grants from the MFA provided 13.1% of PRIO's operating revenues in 2021. Additional revenue was obtained from various other sources, such as the European Commission, SAGE Publications, and the Norwegian Ministry of Defence. It is a strategic goal to diversify the funding

base in order to reduce vulnerability. Focused efforts are also directed towards increasing the share of international funding, which in 2021 constituted 19.3%.

The Institute is exposed to currency fluctuations through its research projects and journals. No arrangements have been set up to hedge this risk. Credit risk is considered minor, with mainly large and financially solid customers, and historically negligible losses on receivables. The Institute has no long-term financial loans. In 2019, the Board adopted a strategy for responsible management of PRIO's assets. In accordance with this strategy, PRIO has invested assets in the stock market fund KLP AksjeGlobal Mer Samfunnsansvar. The Institute is exposed to risk of decrease in the value of this investment.

On 24 February 2022 Russia invaded Ukraine. As a rapid response, economic sanctions against Russia and Belarus were introduced, including a freeze of all institutional research collaboration. PRIO's operations are only to a limited extent exposed to the involved countries and will not be directly affected by the sanctions.

The cash flow analysis shows a net increase in the cash and cash equivalents held by the Institute at 31 December 2021 of NOK 14 million when compared with year-end 2020. PRIO's liquidity situation is considered good. At 31 December 2021, the ratio of current liabilities to current assets was 1:2.4. The Board is of the opinion that the financial statements give a true and fair view of PRIO's assets, liabilities, result and financial situation as of 31 December 2021.

For 2022, PRIO has budgeted a turnover of NOK 178.5 million, including a core grant of NOK 23.2 million. At the start of the year, 95% of the budgeted revenue was considered secure. The Institute has budgeted for a positive margin from operations in 2022, and the Board is of the opinion that the conditions for continued operation are present.

PRIO enjoys a good internal working environment. Routines for health, safety and the environment have been established. PRIO employees participate in decision-making at the Institute through membership of, or representation on, the Institute Council and the PRIO Board. Reported sick leave in 2021 was

Staff Category	Full-time equivalents			Average no. of employees		
	Total	Female	Male	Total	Female	Male
Research Professor	16,6	5,7	10,9	29	11	18
Senior Researcher	29,4	16,4	13,0	46	26	20
Doctoral Researcher	11,2	5,9	5,3	15	9	6
Research Assistant	12,5	9,1	3,4	17	12	5
Administrative personnel	21,2	12,3	8,9	22	13	9
Total	90,9	49,4	41,5	129	71	58

Earnings ratio (women:men):

Staff category	Base salary	Total compensation
Research Professor	99%	101%
Senior Researcher	103%	104%
Doctoral Researcher	101%	100%
Research Assistant	98%	98%
Administrative Personnel	94%	95%

4.5% (3.8% in 2020). No accidents involving physical injury were reported in 2021. The Institute's activities cause very little pollution of the external environment.

On average, 129 people were employed at PRIO during 2021, comprising 90.9 full-time equivalents. The corresponding figures for 2020 are 82.5 full-time equivalents and 111 employees on average. A total of 153 persons were engaged by PRIO during 2021. 15 doctoral candidates, 17 master's degree students and 9 interns and visiting researchers benefited in 2021 from scholarships and/or work-space at PRIO.

PRIO promotes gender equality for its employees. The number of full-time equivalents in 2021, as well as the average number of female and male employees in 2021 can be seen from the tables above.

Among temporary and part-time staff, 59% and 57% respectively were female. The average number of weeks with paid parental leave was 39 weeks for women and 28 weeks for men.

PRIO makes active efforts to prevent discrimination on the basis of functional disability, ethnicity, national origin, skin colour, or religious or philosophical orientation. Activities performed in this regard include recruitment, remuneration and working conditions, promotional schemes, career development

programmes and protection against harassment.

The Board is of the clear opinion that PRIO's activities are well managed, and in compliance with the Institute's Statutes, approved strategies, and annual plans of action. PRIO is internationally very well recognized within the research field of peace and conflict. We consider the research milieu at PRIO to be unique in a Norwegian as well as international setting. The Institute is continually developing new and stronger alliances with other research environments in Norway and internationally. We therefore expect that in the long term, PRIO will prove itself as a research institute with unique qualities and a strong international profile that is well positioned for further growth.

The Board members

Trine Skei Grande (Chair)
Elisabeth Tørstad (Deputy Chair)
Bernard Enjolras
Tuomas Forsberg
Ragnhild Helene Hennum
Georgina Berry
Damian Laws

Henrik Urdal (ex officio)
Torunn Lise Tryggestad (ex officio)
Lene Kristin Borg (ex officio)

Deputies:

Kai Eide
Stein Hernes
Kari Steen-Johnsen
Magnus Öberg
Brynjar Lia
Kristoffer Lidén
Øystein H. Rolandsen



Trine Skei Grande
Chair



Elisabeth Tørstad
Deputy Chair



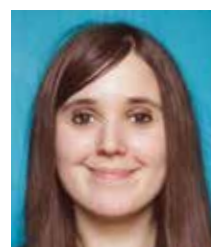
Bernard Enjolras



Tuomas Forsberg



Ragnhild H. Hennum



Georgina Berry



Damian Laws

Sources of Income 2021

This list is sorted by size of income, and includes all those exceeding 50,000 NOK per year

- Research Council of Norway
- Ministry of Foreign Affairs
- European Commission
- SAGE Publications
- University of Oslo
- Ministry of Defence
- Geneva Center for Security Sector Governance
- UN Economic and Social Commission for Western Asia
- Uppsala University
- Save the Children Norway
- Norwegian Environment Agency
- United Nations Development Programme
- Nordic Institute for Studies in Innovation, Research and Education
- NIVA Institute for water research
- Norwegian Institute for Water Research
- Open Society Foundation
- ECORYS
- Informa UK Ltd
- Norwegian Institute for International Affairs
- Dubai Cares
- Arts Council Norway
- Inner City Fund
- Norwegian Defence Research Establishment
- Pax Stiftung
- Institute for social research
- NordForsk
- Erasmus Universiteit
- Deutsche Auswärtiges Amt
- Goethe Institut
- Lund University
- Small Arms Survey

All figures in NOK thousands

Income Statement			
	2021	2020	
Operating Revenues			
Core grant	22 478	22 246	
Project grants	110 316	90 601	Note 4
Sales revenues	7 400	9 649	
Other revenues	2 033	1 521	
Total operating revenues	142 226	124 017	Note 3
Operating Expenses			
Salaries and social costs	83 820	75 417	Notes 7, 8, 11
Professional fees	31 269	23 685	
Other personnel costs	1 681	1 527	
Office costs	17 407	13 892	Notes 6, 10
Running costs for field office	3 350	4 058	
Travel, representation and seminars	1 817	1 857	
Depreciations	655	853	Note 5
Total operating expenses	139 999	121 289	
Operating surplus (deficit)	2 227	2 727	
Financial Income/Expenses			
Financial income	1 913	1 789	
Value increase financial instruments	12 787	6 940	Note 12
Financial expenses	377	-25	
Net financial items	14 324	8 754	
Net Surplus			
Net surplus before corporate tax	16 551	11 482	
Corporate tax	-	-	Note 13
Net surplus for the financial year	16 551	11 482	
Disposal of Net Surplus			
Transferred to other equity capital	16 551	11 482	Note 14
Cash Flow Statement			
	2021	2020	
Cash Flow from Operating Activities			
Annual surplus	16 551	11 482	
Depreciations	655	853	
Change in value of financial instruments	(12 787)	(6 940)	
Loss on fixed assets		36	
Change project advances from funders	6 611	12 806	
Change debtors	(5 629)	6 150	
Change other receivables	(1 124)	615	
Change accounts payable and other liabilities	8 481	2 987	
Change in other periodized items	1 370	920	
Net cash flow from operating activities	14 127	28 908	
Cash Flow from Investment Activities			
Payments for purchase/sale of fixed assets	(458)	(916)	
Payments for investment in financial instruments		(20 000)	
Net cash flow from investment activities	(458)	(20 916)	
Cash and Cash Equivalents			
Net change in cash and cash equivalents	13 669	7 993	
Cash and cash equivalents at 1 January	166 803	158 810	
Cash and cash equivalents at 31 Dec.	180 472	166 803	

Pensions

Participants in a multi-employer defined-benefit pension plan are obliged to account for its portion of the benefit-based pension

obligation, as well as assets and costs associated with the plan. However, when insufficient information is available in order to account for

a multi-employer plan as a defined-benefit plan, the plan may be accounted for as if it were a defined-contribution plan.

Note 2: Separate Bank Account for Withholding Taxes

The balance in the separate bank account for withholding taxes at 31 December 2021 was NOK 4,177,967. The corresponding figure at 31 December 2020 was NOK 3,846,504.

Note 3: Operating Revenues

	2021	2020
Core grant	22 478 000	22 246 000
Project grants	110 315 924	90 601 204
Sales revenues	7 399 798	9 648 583
Other revenues	2 032 618	1 521 032
Total operating revenues	142 226 340	124 016 819

PRIO receives an annual result-based core grant through the Research Council of Norway. The core grant is used to support long term knowledge and competence building, in line with the Guidelines for Governmental Funding of Research Institutes.

Research at PRIO is organized in projects, and project grants consist of revenues from funding sources in Norway and abroad, including project grants from the Norwegian Research Council, ministries, and the European Commission.

Other revenues consist of income generated through PRIO's engagement in education, including the Research School on Peace and Conflict in collaboration with the University of Oslo and the Norwegian University of Science and Technology.

Sales revenues consist of royalty income generated through the publishing of Journal of Peace Research and Security Dialogue by SAGE.

Note 4: Project Accounts

The method of accounting used for projects is the percentage-of-completion method (Accounting Standard 2, Construction Contracts). Project revenues are accounted for according to progress and reflect earned income. Project expenses are accounted for according to the accrual principle of accounting. The project balance and any outstanding income are regarded as sufficient to cover future expenses needed for the completion of the project. Earned non-invoiced revenues are included in the sum for debtors in the balance sheet. On account payments and project advances from funders are presented as current liabilities.

	2021	2020
Projects at 31 December		
Earned non-invoiced revenues on ongoing projects	12 504 830	7 706 420
Pre-invoiced production	74 670 235	68 058 880

Note 5: Machines and Furniture

	2021	2020
Cost price 1 January	15 854 950	14 975 310
New investments	458 018	915 578
Decline/sales during the year		35 938
Accumulated previous depreciations	14 835 535	13 982 786
This year's depreciation	654 696	852 749
Net book value at 31 December	822 737	1 019 419

Depreciation of machines and furniture is calculated using the linear method over three years.

Note 6: Leasing

On 1 August 2005, PRIO entered into an agreement with the Norwegian Red Cross for rent of office space in Hausmanns gate 3. The agreement was in 2020 extended until 31 July 2025 and the annual rent is NOK 5,250,000. Starting in 2022, each of the parties can claim an annual regulation of the rent equal to 100% of the change in Statistics Norway's consumer price indices. The contract's base index is November 2020.

Note 7: Pension Expenses, Pension Assets and Pension Liabilities

PRIO's employees are members of the Norwegian Public Service Pension Fund. The pension plan is regulated by the Norwegian Public Service Pension Fund Act. The pension plan comprises retirement pensions, disability pensions and contingent life pensions (including joint life pensions and children's pensions). The plan also comprises contractual pensions from 62 years. The pension plan is coordinated with pensions from the National Insurance Scheme. Membership is mandatory for all employees who qualify according to current regulations.

As of 1 January 2016, PRIO was transferred to a new pension premium model in the Norwegian Public Service Pension Fund. The new premium model is a multi-employer plan where PRIO as employer is not assigned its own fictitious fund. For this reason, insufficient information is available in order to account for the pension plan as a defined-benefit plan, and it's therefore accounted for as a defined-contribution plan in line with Norwegian Accounting Standard 6 on pensions. In 2021, PRIO has accounted for a pension premium cost in the amount of NOK 7 392 768.

Note 8: Specification of Salaries and Social Costs

Total salaries and social costs consist of the following items:

	2021	2020
Salaries	66 246 165	58 476 443
Payroll tax	10 181 334	8 971 160
Pension costs	7 392 768	7 969 674
Total	83 820 267	75 417 277

Note 9: Number of Employees During the Financial Year

The average number of employees at PRIO during 2021 was 129, performing a total of 90.9 person-years (the corresponding figures for 2020 were 111 and 82.5). Additionally, the institute had 17 graduate students, 9 interns, 4 guest researchers, and 1 Practitioners in Residence with office space at PRIO during the year (corresponding figures for 2020 were 15 graduate students, 6 interns, 3 guest researchers, and 1 Practitioner in Residence).

Note 10: Auditors' Fee

Fees to Deloitte AS and cooperating firms have been divided as follows:

	2021	2020
Statutory audit fee	247 000	278 000
Other services	75 398	65 220
Other audit services	161 794	54 000
Tax advice fees		111 400
Total	484 192	508 620

Note 11: Remuneration of the Leadership

For each year employed in the Institute Director position, the Institute Director accrues 1.5 months of salary, payable upon completion of the Institute Director term.

	Salary	Pension	Other
Director	1 336 313	152 675	6 619
Board	212 500		

Note 12: Financial instruments

	Purchase price	Value at 31.12.	Profit/loss in 2021
KLP AksjeGlobal Mer Samfunnsansvar (No. of units: 32,556)	40 000 000	61 336 860	12 786 949

Note 13: Tax

PRIO was for several years in dialogue with the tax authorities regarding whether PRIO is partially or wholly liable for corporate tax.

The authorities concluded in 2016 that only the portion of PRIO's income that stems from profit generating activities is considered subject to income tax.

In accordance with the authorities' conclusion, PRIO assumes a partial tax obligation in its tax cost calculation.

PRIO has assessed that its deferred tax asset, which mainly relates to taxable losses carried forward, is excluded from the balance sheet as PRIO does not expect to obtain a taxable profit in the future against which the deferred tax asset can be utilized.

	2021	2020
Specification of income tax expense:		
Current income tax payable	-	-
Changes in deferred tax	(2 689 066)	(1 698 169)
Effect of change in taxation rates	2 689 066	1 698 169
Tax on profit/(loss)	-	-

	2021	2020
Specification of current income tax payable:		
This year's payable income tax expense	-	-
Excess tax allocated in earlier years	-	-
Current income tax payable in balance sheet	-	-
Reconciliation from nominal to real income tax rate:	2021	2020
Profit/(loss) before taxation	16 550 700	11 481 534
Portion of result not subject to tax	3 239 643	5 381 977
Taxable portion of result	13 311 057	6 099 557
Estimated income tax according to nominal rate (22%)	2 928 433	1 341 903

Tax effect of the following items:		
Other non-deductible expenses	8 760	13 534
Other non-taxable income	(2 813 129)	(1 526 803)
Excess tax allocated in earlier years	-	-
Effect of off-balance sheet deferred tax benefit	(124 063)	171 366
Effect of change in taxation rules and -rates	-	-
Income tax expense	-	-
Effective income tax rate	0.0%	0.0%

	2021	2020
Specification of the tax effect of temporary differences and losses carried forward:		
Fixed assets	(59 797)	(77 640)
Cost allocations	(42 908)	(267 483)
Total	(102 675)	(345 123)
Deficit to be carried forward	(3 459 325)	(3 340 940)
Off-balance sheet deferred tax benefits	3 562 000	3 686 064
Net deferred benefit/liability in balance sheet	-	-

The deferred tax benefit is not included in the balance sheet.

Note 14: Net Assets

	2021	2020
Basic capital	6 197 000	6 197 000
Other equity capital, 1 January	128 279 138	116 797 604
Net surplus	16 550 700	11 481 534
Other equity capital, 31 December	144 829 838	128 279 138
Total net assets, 31 December	151 026 838	134 476 138

Note 15: Events after the balance date

On 24 February 2022 Russia invaded Ukraine. As a rapid response, economic sanctions against Russia and Belarus were introduced. A large number of Ukrainian refugees have subsequently arrived in EU and Norway. The war affects European and global energy- and food security.

Financial risk:

At end 2021, PRIO had assets worth 61.3 MNOK in the stock market index fund KLP AksjeGlobal Mer Samfunnsansvar. The fund's reference index is MSCI World Index Developed Markets NOK (not currency hedged). The value of the fund, and PRIO's share thereof, will be affected by factors which directly influence the markets within the world's developed economies.

Operational risk:

PRIO's operations are only to a limited extent exposed to Russia/Ukraine/Belarus. It remains to be seen whether, and to what extent, a dramatic change in the European security situation and geopolitical insecurity more generally will affect PRIO as well as our funders, vendors and collaborating partners.

To the Board of Directors of Institutt for fredsforskning

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Institutt for fredsforskning, which comprise the balance sheet as at 31 December 2021, income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Foundation as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements

Responsibilities of the Management for the Financial Statements

The management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Opinion on Governance

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance*

Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that the Foundation is governed in accordance with the law, the Foundation's purpose and the articles of association.

Oslo, 7. April 2022
Deloitte AS

Grete Elgåen
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

Statutes

Peace Research Institute Oslo (PRIO)

§ 1: Aim and Purpose

The Peace Research Institute Oslo (PRIO), herein also referred to as “the Institute”, is an independent international research institute. Its purpose is to engage in research concerning the conditions for peaceful relations between nations, groups and individuals.

In addition to this main purpose, the Institute shall:

- stimulate research cooperation nationally and internationally
- undertake training and teaching
- hold conferences and seminars
- disseminate information based on its own research as well as that of other institutions.

The Institute is free to choose its research projects.

The results of its research shall be available to the public.

The name of the Institute is, in Norwegian, “Institutt for fredsforskning” and, in English, “Peace Research Institute Oslo”, with “PRIO” as the official abbreviation in both languages.

§ 2: The Foundation

The Peace Research Institute Oslo, is an autonomous non-profit foundation, independent of ideological, political or national interests.

The “basis capital” (grunnkapital) of the Institute (as of 31 December 1996) stands at NOK 6.197 million.

§ 3: Governing Bodies

The Institute has the following governing bodies:

- the Board
- the Institute Director
- the Institute Council.

§ 4: The Board

The Board shall consist of seven members with personal deputies. Board members are appointed for a three-year period, in such a way that 4 and 3 members, respectively, are to be appointed at a time.

Members are appointed by the following bodies:

- One member by the Institute for Social Research
- One member by Abelia
- One member by the Association of Norwegian Research Institutes
- One member by the University of Oslo
- One member from the other Nordic countries, appointed by the Nordic International Studies Association
- Two members by the Institute Council (IC). These two members shall be chosen from among the PRIO staff. The Institute Director, the Deputy Director and the Administrative Director are not eligible.

The Institute Director, Deputy Director and the Administrative Director take part in the meetings of the Board, without voting rights.

Consideration shall be given to achieving reasonable representation of both sexes.

The Board elects its own Chairperson and Deputy Chairperson.

If any Board member finds it necessary to leave the Board during his/her period of appointment, a new appointment should be made for the duration of the period.

A quorum of the Board shall be constituted by the presence of at least five members; or by the presence of four, including the Chairperson. The Chair has a double vote in the case of a tie.

The Board shall be convened when demanded by the Chair or by two of its members.

The Board shall keep minutes of its meetings. Minutes are to be available to the members of the Institute staff.

§ 5: Board: Functions

The Board shall discuss and approve the work plan of the Institute, approve the budget and accounts, and evaluate the activities of the Institute in relation to the Institute's aim and purpose and its work plan.

The Board shall appoint the Institute Director (cf § 6), the Administrative Director, researchers employed in permanent positions and other researchers when these are engaged for a period of over one year. Notice of termination for these same personnel categories is likewise to be approved by the Board.

§ 6: Appointment of Institute Director and Deputy Director

The Institute Council and the Board jointly prepare the appointment of a new Institute Director. The Institute Council is to deliver an annotated recommendation to the Board. Before delivering its recommendation, the Council is to obtain statements from outside experts.

The Institute Director shall be appointed by the Board to serve for a period of four years, with the possibility of an extension of up to four years. If the Institute Council, within two weeks of the Board's first decision on the hiring of a new Director, by at least a 3/4 majority, notifies the Board in writing of its reasoned disagreement with the decision, the Board must consider the hiring anew.

The Board shall appoint the Deputy Director for two years at a time, following nomination by the Director and the recommendation of the IC. The Deputy Director may be re-appointed.

§ 7: Institute Director: Functions

The Institute Director is in charge of leading the activity of the Institute.

The Institute Director has overarching responsibility for the planning, running, co-ordinating and financing of the scholarly activities of the Institute, within the framework set by the work plan and the budget adopted by the Board. The Institute Director

is to see to it that the staff are provided with possibilities to develop their competence.

The Institute Director has main responsibility for information about the Institute externally. He/She shall also determine what is to be published in the name of the Institute.

The Deputy Director shall execute the daily functions of the Institute Director when the latter is prevented from performing them.

§ 8: The Institute Council

The Institute Council (IC) is composed of all employees in permanent positions, as well as all employees in non-permanent positions employed for 50 % or more of standard working hours for more than 6 months. All these have voting rights in the IC.

The conscientious objectors and the students elect one representative each with voting rights – with personal deputies. These are to be chosen at separate, annual elections. Further rules concerning these elections shall be determined by the IC.

A quorum of the Institute Council shall be constituted by the presence of at least 3/5 of its members with voting rights. Unless otherwise determined, matters are to be decided by simple majority vote. The Chair has a casting vote in the case of a tie.

The Institute Council shall be convened when requested by the Institute Director or three of its members.

The Institute Director takes part in the meetings of the IC, without the right to vote.

At the beginning of each meeting the IC is to decide who shall chair that session.

The Administrative Director normally acts as secretary to the IC. The IC shall keep minutes of its meetings.

§ 9: Institute Council: Functions

The Institute Council is a consultative body for the Board and the Director. All matters which, according to § 5 above, are to be dealt with by the Board (including work plan, budget and accounts, appointment of the Administrative Director, researchers in permanent positions and other researchers when they are engaged for a period of over one year) are to be presented first to the IC for its recommendation. Unless special circumstances are an impediment, the Institute Director and the staff representatives to the Board shall also present to the IC all other matters which they intend to put before the Board.

Personnel matters are not to be dealt with by the Institute Council. The Institute Council itself determines whether a matter falls within its mandate.

The Institute Council elects two members of the PRIO staff to the Board. The IC can require these to take up specific matters before the Board.

§ 10: Freedom of speech

All staff members have full freedom of expression, internally and externally.

§ 11: Statutes

These Statutes are available in both Norwegian and English. In the case of any discrepancies, the Norwegian text shall apply.

Amendment of the Statutes requires both a 2/3 majority of the Institute Council, and a 5/7 majority of the Board.

§ 12: Dissolution

Dissolution of the Institute requires a 2/3 majority of the Institute Council, and a 5/7 majority of the Board.

Should this take place, any funds shall go to the Institute for Social Research or be used for a research purpose designated by the latter Institute.

PRIO Staff in 2021

(Staff who left in 2021 are in italics)

Director

Henrik Urdal

Deputy Director

Torunn Lise Tryggestad

Researchers

Hassan Ahmed Aden
Adrian Arellano
David Armstrong
Maryam Aslany
Pavel Baev
Kristin Bakke
Henrikas Bartusevicius
Tor Arve Benjaminsen
Stine Bergersen
Helga Malmin Binningsbø
Kaja Borchgrevink
Halvard Buhaug
Charles Butcher
Jørgen Carling
Ilaria Carrozza
Mauricio A. Rivera Celestino
Patty P. Chang
Maria-Louise Clausen
Marianne Dahl
Sirianne Dahlum
Christian Davenport
Bård Drange
Kendra Dupuy
Stefan Döring
Johanne Rokke Elvebakken
Marta Bivand Erdal
Kerstin Fisk
Hanne Fjelde
Brian Ganson
Scott Gates
Audrey Kathleen Geissinger
Haakon Gjerløw
Gunhild Hoogensen Gjør
Kristian Skrede Gleditsch
Nils Petter Gleditsch
Stefan Goetz
Katarzyna Grabska
Julie Marie Hansen
Kristian Berg Harpviken
Nicole Monique Apostol Hartwell
Rahmat Hashemi
Wenche Iren Hauge
Eirin Haugseth
Håvard Hegre
Kirsi Helkala
Gudmund Hermansen
Kristian Hoelscher
Cindy Horst
Sigurd Hovd
Julie Jarland

Jørgen Jensehaugen
Maria Gabrielsen Jumbert
Mareile Kaufmann
Carl-Henrik Knutsen
Åshild Kolås
Peder Landsverk
Chantal Lavallée
Gabriel Leon
Kristoffer Lidén
Andrew Linke
Jenny Lorentzen
Nicholas Marsh
Nils Metternich
Mathilde Bålsrud Mjelva
Ahmed Mohamed Musa
Samar Abbas Nawaz
Marte Nilsen
Ragnhild Nordås
Håvard M. Nygård
Bruno Oliveira MartinsMarie-
Louise Kristina Olsson
Julia Palik
Greg Reichberg
Simon Reid-Henry
Øystein H. Rolandsen
Ida Rudolfsen
Siri Camilla Aas Rustad
Espen Geelmuyden Rød
Bintu Zahara Sakor
Mohammad Salehin
Marie Sandnes
Kristin Bergtora Sandvik
Sebastian Schutte
Arijit Sen
Inger Skjelsbæk
Tone Sommerfelt
Nora Kristine Stai
Trude Stapnes
Abbey Steele
Håvard Strand
Henrik Syse
Cathrine Talleraas
Pinar Gul Tank
Ebba Tellander
Andreas Forø Tollefsen
Stein Tønnesson
Nina Von Uexkull
Carlos Vargas-Silva
Jonas Vestby
Hilde Henriksen Waage
Michael Lee Weintraub
Tore Wig
Gudrun Østby

Research Assistants

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Ayse Bala Akal
Andrew Arasmith
Sara Christophersen
Kelly James Hoolihan Fisher
Maisie Fitzmaurice
Chris Ghai
Jennifer Hodge
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Mia Larnholm
Solomon Negash
Amalie Nilsen
Anna Marie Obermeier
Jørgen Andresen Osberg
Christopher Kit Rickard
Ida Rødningen
Tora Sagård
Bjørn Schirmer-Nilsen
Therese Sefton
Carina Strøm Smith
Mathias Hatleskog Tjønn
Malin Nærum Aadalen

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Natalie Azba
Trygve Borgersen
Eva Chalkiadaki
Erlend Lunde Colleuille
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Ludvig Fæhn Fuglestedt
Sofie Marianne Gilbert
Sofie Hjorthol Grønset
Ida Marlene Henriksen
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Klo Kwe Moo Kham
Jens Bertil Johnsen Koning
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Malin Nærum Aadalen

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Anton Kronborg
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Katharina Pfaff
Simone Sessolo
Ling Ling Tai

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Trond Bakkevig

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Kristin Lund

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Larissa Fast
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Mohamed Aden Hassan
Aida Ibričević
Luka Biong Deng Kuol
Maggie Dwyer
Dorothea Hilhorst
Cyanne Loyle
Erik Melander
Francis Mwesigye
Angelika Rettberg
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- Non-profit research institute founded in 1959
- **Independent foundation** with headquarters in Oslo
- **International staff** of about 100 people with different academic backgrounds and expertise
- Financed on **project basis** with funding from national research councils, government ministries, international organizations, foundations, corporations and individuals
- Nurtures **international partnerships**, on project basis as well as with our programme for PRIO Global Fellows, the Peace Research Endowment (New York), and the PRIO Cyprus Centre (branch office in Nicosia)
- Publishes findings in major **international journals** and with the leading publishing houses
- Engages actively in **teaching and training**, including the hosting of the Research School on Peace and Conflict for PhD scholars in collaboration with Norwegian partners
- **Communicates and connects** to various arenas, such as with international academic networks, multilateral organizations, governmental agencies and civil society actors
- Collects and maintains **statistical data on peace and conflict**, and serves as a data hub for researchers worldwide
- Owns and houses two internationally renowned academic journals: **Journal of Peace Research** and **Security Dialogue**