

Operational Strategy 2017–2019

Our role

The world faces major challenges bound up with our environment and how we humans use natural resources and interact with our surroundings. These challenges are articulated clearly in the Sustainable Development Goals (SDGs) recently adopted by the United Nations and in the Paris Agreement.

The Swedish Foundation for Strategic Environmental Research (Mistra) is actively involved in meeting these challenges by investing in environmentally strategic research that helps society achieve sustainable development. The starting point is the Foundation's Statutes, especially Article 1, which describes Mistra's purpose. We invest in research programmes and centres where, working with users, researchers contribute to solutions to key environmental problems. We also use our asset management to influence the business sector and financial market in a sustainable direction. Fundamental to our scope for influence, too, is effective outreach with our results and ideas to society's stakeholders. Mistra seeks to help ensure that decisions of great importance for the environment and sustainable development rest on solid scientific foundations.

Humankind's prospects and potential for solving environmental problems and realising sustainable development of society are directly affected by other societal challenges. For Mistra, it is vital for our work to address those that are set to prevail for many years to come: climate change, a tense geopolitical situation, a disintegrating EU, slack global macroeconomic growth, regional migration flows and more.

For Sweden, the next three years will be dominated by challenges to society: integration, a job-creating labour market, new industrialisation and competitiveness, along with transformation to meet climate change targets. International competition for skills is increasing, and research and innovation are proceeding at an ever faster pace. Mistra's role for the period will thus be our statutory purpose placed in this contemporary context.

PURPOSE

Article 1

The purpose of the Foundation, whose name shall be the Foundation for Strategic Environmental Research, is to fund research of strategic importance for a good living environment.

The Foundation shall promote the development of strong research environments of the highest international class with importance for Sweden's future competitiveness. The research shall be of importance for finding solutions to important environmental problems and for a sustainable development of society. Opportunities for achieving industrial applications shall be taken advantage of.

Research

In Mistra's view, research for sustainable development calls for wide-ranging work, curiosity and openness to new approaches. Accordingly, no academic specialities, disciplines or methods are excluded, and interdisciplinary and transdisciplinary ways of working are encouraged.

Mistra's main ways of funding research will henceforth be research programmes and centres. Although the initiatives vary in scale, they follow the same basic parameters. Thematic areas, such as climate change, circular economy and industrial applications, will continue to evolve and can accommodate one or more initiatives in various groupings. As before, Mistra's programmes are expected to last for four plus four years, as a rule.

In recent years, the Mistra Fellows form of funding has increased in importance. Besides serving as support for programmes and centres, this funding may be an effective way of bringing the research and knowledge dimension into decision-making. Mistra intends to evaluate the Fellows programme when enough experience has accumulated. This also includes the reverse situation, i.e. foreign researchers being given the opportunity to visit our programmes.

Mistra will work actively to expand the element of evidence-based data in decision-making and implementation in the environmental sector.

Mistra will continue to use the instrument of co-funding for the purpose of boosting the commitment of parties taking part. There are other advantages of co-funding as well, for example that users and interested parties are involved at an early stage. Mistra intends to evaluate the co-funding requirement to obtain a basis for adjustments, if any, in how it is currently applied.

Mistra endeavours to take continuous steps to raise efficiency in and rationalise the management and administrative handling of all initiatives.

Aims for 2017–2019

- *To start at least six new research programmes or centres during the three-year period.*
- *To establish new thematic areas with a diversified structure of initiatives.*
- *To evaluate the Mistra Fellows Programme and initiate at least two new Fellowships a year (one of which must be in the reverse direction, i.e. a foreign researcher visiting one of our programmes).*
- *To evaluate the Mistra Council for Evidence-Based Environmental Management (Mistra EviEM) ahead of Mistra's phase-out of funding.*
- *To evaluate the effects of the co-funding requirement.*
- *To further raise efficiency in the management and administrative handling of Mistra's research programmes etc.*
- *To carry out recurrent evaluations of Mistra's total impact and value to society.*

Asset management

Mistra's assets will be managed with a good return and limited risk, so that they can be useful both for funding of initiatives in the area of environmental research and for investing in companies whose operations contribute to global development that takes environmental, social and ethical values, and thus the United Nations' global Sustainable Development Goals and the Paris Agreement, into consideration.

Since early this century, Mistra's asset management has been based on sustainability criteria, to reflect our role of solving key environmental problems and working for sustainable development. The Foundation was thus an early adopter of sustainable management and has been a forerunner in this area. Today, an upheaval is under way in the financial sector. Growing numbers of asset owners, asset managers and financial enterprises have grasped the potential and power of using active management to induce companies to develop their own operations towards sustainable development and reduced environmental impact.

Mistra invests in research in the financial sector. Relevant findings from this and other research in the sector will be used to arrive at evidence-based investment decisions.

Mistra's assets may be spent in the long term. To support strategic management of activities, scenarios are used in which various assumptions on financial return and level of disbursement are analysed. With a disbursement level of SEK 200 million a year, it is possible to start new research programmes at the current rate for another ten years unless (macro)economic trends cause the assets to decline sharply in value.

Aims for 2017–2019

- *To safeguard existing commitments but also make new research initiatives possible by achieving a good financial return.*
- *To invest the assets in such a way as to foster a transition to a circular economy and sustainable development of society.*
- *To be a model for other investors and actively support and influence the development of sustainable asset management.*
- *To invest SEK 600 million in research.*

Dissemination of ideas and knowledge

Mistra will actively influence the development of society through dialogue and exchange of ideas. Our assertions will be based on our own or others' research, but may also build on experience from our asset management. Further integration of Mistra's research funding, asset management and idea dissemination enhances our credibility

and improves our potential outreach and impact. This integration can take place through, for example, coordinated global analysis.

After more than 20 years in existence, thanks to our research programmes, Mistra has accumulated knowledge and skills in numerous areas. The ambition for the three-year period ahead is to achieve further breakthroughs for our research in society, and not least in the business sector. Mistra's current research programmes and centres are the largest resource for making this happen, but to optimise the impact more coordination among the programmes may also be needed. A thematic way of working, launched with an overhaul of research and calls for new programme proposals relating to the climate, is expected to facilitate this coordination.

When it comes to completed research programmes, it is vital for their results to remain accessible and the expert networks to be maintained. One way may be for the discontinued programme to become an independent agent in society that, on the right occasion and in the right context, presents scientifically based facts. This kind of work is comparable to the work carried out in think tanks, but it should be emphasised that the work Mistra would like to see being developed must rest on a scientific foundation and be politically independent.

Aims for 2017–2019

- *To assist in boosting the impact of research in society generally and Mistra-funded research in particular.*
- *To step up the integration of our research funding, asset management and idea dissemination to achieve a greater impact for Mistra as a whole.*
- *To strive to enable completed programmes to transition into independent community agents that deliver scientifically based facts.*
- *To report more clearly on the effects of Mistra's activities, both at area level (research funding, asset management and idea dissemination) and as a whole.*

Adopted by the Board on 14 September 2016 and revised on 13 September 2017.