

Your Excellency, Ambassador Martin Uhomoibhi, Chair, WIPO General Assembly,
Dr. Kamil Idris, Director General, WIPO,
Honorable Ministers, Your Excellencies, Distinguished Delegates,

Thank you for the honour that you accord me, and for the trust that you place in me, by appointing me to the post of Director General of the World Intellectual Property Organization (WIPO).

The process leading to your decision this morning has been a long, at times tense and always interesting one. The successful conclusion of that process owes much to two persons whom I should like to acknowledge at the outset. In the first place, may I mention the Chair of the WIPO General Assembly, Ambassador Martin Uhomoibhi. Ambassador Uhomoibhi took up the mantle following the Coordination Committee's nomination and has, with his characteristic wisdom, calm authority and exemplary diplomatic acumen, brought the Organization from the stage of a nomination to that of an appointment. He has also played an outstanding role in shepherding the Organization through a period of transition and has worked with and advised both Dr. Idris and myself to ensure a smooth passage through the transition. We are all indebted to you, Ambassador Uhomoibhi, and, in particular, I.

I should like to acknowledge also Dr. Hilde Skorpen, the Chair of the WIPO Coordination Committee, who had the unenviable task of leading the six-month long process that led to the nomination of a new Director General by the WIPO Coordination Committee in May of this year. Dr. Skorpen's patient and transparent search for procedures that could be accepted by consensus by all the members of the Coordination Committee, and her efficient and impartial conduct of the meeting at which the election took place, have placed all of us in her gratitude.

For my part, as you know, I was originally nominated, and have throughout the process been assisted and supported, by the Government of Australia. I should like to extend my thanks to the Government of Australia, Ambassador Caroline Millar, Permanent Representative of Australia to the United Nations at Geneva, Ambassador Bruce Gosper, Permanent Representative of Australia to the World Trade Organization, and the staff of the Department of Foreign Affairs and Trade, the Attorney-General's Department and IP Australia, particularly those at the Australian Permanent Missions in Geneva. I thank them for their support, their hard work, their careful and astute advice and their companionship.

From the time of the nomination of the Coordination Committee, I ceased to be the nominee of Australia and became the nominee of the Coordination Committee. Many persons, from Governments and Permanent Missions, in particular, the Group Coordinators, and from the staff of WIPO, especially the Transition Team, have provided invaluable advice to me since the nomination of the Coordination Committee. I should like to thank them also for their advice and for their support. Many of you will recognize echoes of your advice in what I have to say this morning and in the future program of the Organization. I hope that you will receive these playbacks as signs of open collaboration within the Organization, rather than as violations of your copyright. To all Member States and to all staff, whether you may have supported my nomination before the Coordination Committee or preferred another solution, I assure you that I will be working with, and for, all Member States and doing whatever it lies within my competence to do to overcome divisions and to seek positions and decisions that can find the broadest possible support among the Member States of the Organization.

Before moving to the future, I turn finally to my predecessors in the post of Director General, most particularly, to the outgoing Director General, Dr. Kamil Idris. I should like to acknowledge our gratitude to them for their collective work in constructing the present Organization. I thank especially, on behalf of all the staff, Dr Kamil Idris, for his 25 years of service to WIPO, during 23 of which we have been colleagues, and for his

leadership of the Organization over two mandates as Director General. I join the President of the General Assembly in his acknowledgement of the achievements of Dr. Idris and I pay tribute to the initiatives that Dr. Idris introduced during his leadership, which have broadened the scope of intellectual property and increased the diversity of participation in this Organization.

The evolution of technology, the economy and global society in recent years has raised a number of challenges of a fundamental nature for this Organization. The most fundamental of all is perhaps the new attention that is directed at intellectual property. As a highly specialized subject matter, intellectual property enjoyed many long and quiet years in the shade before, quite suddenly, in the last two decades, coming under the full glare of the blazing sun of public opinion and scrutiny. The management of this climate change in the world of intellectual property is itself a major task. In this regard, it is useful to remember that intellectual property is not an end in itself. It is an instrumentality for achieving certain public policies, most notably, through patents, designs and copyright, the stimulation and diffusion of innovation and creativity on which we have become so dependent, and, through trademarks, geographical indications and unfair competition law, the establishment of order in the market and the countering of those enemies of markets and consumers: uncertainty, confusion and fraud. In the end, our debates and discussions are about how intellectual property can best serve those underlying policies: whether modifying the international framework will enhance or constrain innovation and creativity and contribute to their diffusion, and whether it will add confusion, rather than clarity, to the functioning of the market.

There are a number of developments affecting the institution of intellectual property as we have always known it that risk impairing its capacity to deliver on its basic mission of stimulating innovation and creativity and contributing to market order. WIPO needs to anticipate and to address directly the implications of these developments.

A first such development is the sustained trend towards the infusion of technology into every aspect of our daily lives and into every part of economic existence. As the trend has accelerated, the economic value of innovation has increased and, with it, the desire to acquire property rights over the frontiers of knowledge. When the Paris Convention for the Protection of Industrial Property was first concluded in 1883, there were approximately 80,000 patent applications, or new technological solutions, filed around the world. Last year the number was 1.7 million. As Arthur Conan Doyle said, "Knowledge begets knowledge, as money bears interest". The functional consequence of this trend is that the system is becoming a victim of its own success. Patent Offices are choking on demand and struggling to perform in a manner that is timely enough to be responsive to the needs of the economy. There are an estimated 3.5 million unexamined patent applications in the world today. The quality of the output of Patent Offices, pushed to cope with such strong demand, is also under critical scrutiny. The Patent Cooperation Treaty (PCT), the financial backbone of this Organization, was designed to provide a multilateral means of dealing with the growth of demand and internationalization of the patent system. While it has been a major example of success in international cooperation, for various reasons, related more to the behaviour of actors in the system than to the system itself, it is not providing a sufficiently adequate solution to the crisis in demand management. The problem is of such a critical and urgent nature that a solution will be found. It is of fundamental importance, I believe, that the solution be a multilateral one, rather than one established by a group or groups of the most adversely affected States. The PCT provides a better basis for constructing the future solution than any other one under consideration or in the range of current imagination.

In the area of creative works - the artifacts of our culture - the challenges are even more fundamental. The twentieth century model of returning value to creators, performers and their business associates, which relied on the distribution of physical packages containing the works, is under the most radical of threats from the convergence of expression in digital technology and the distributional power of the Internet. This development may well work to the special disadvantage of the developing world, where

