

INTERNATIONAL CONFERENCE ON INTELLECTUAL PROPERTY AND DEVELOPMENT

Geneva, April 7 and 8, 2016

Welcome Address
by Mr. Francis Gurry, Director General, WIPO

Honorable Rob Davies, Minister of Trade and Industry for South Africa,
His Excellency Ambassador Pedro D'Alotto, Permanent Representative of Argentina,
Your Excellencies,
Ladies and gentlemen,

It is my great pleasure to welcome you to this Conference on Intellectual Property and Development. We are delighted to see so many of you here and from so many countries and diverse backgrounds. I would like to thank you all for your presence here this morning and for your interest in this Conference.

Let me also thank Minister Rob Davies who has made an extraordinary effort to be present at this Conference - flying in last night and flying out this afternoon. We are grateful to you, Minister, for the effort you have made.

I would like to thank the talented and diverse range of speakers, from governments, private universities and industries.

I thank the Member States for holding this Conference. It provides an opportunity to step back from our routine daily work in the Committees and to consider an extremely important subject.

I do not think there is any subject more important for open and risk-free discussion. Of course, the purpose is to investigate, to explore, and to discuss and to consider the connections that exist between, on one hand, IP in the current contemporary world economy, and on the other hand, the imperative of development.

We are very pleased to be hosting this Conference because the World Intellectual Property Organization has at its base a public-private partnership which is extremely interesting. Of course, it is an intergovernmental organization and it is composed of its Member States. Nevertheless, if you look at the operations of the Organization, 97 percent of its revenue is derived from fees for services that are rendered directly to the private sector. Twenty-one per cent of the expenditure of the Organization is on development and capacity building. I think it is a unique partnership that we have as the basis of the Organization and a very precious one.

The decision to hold this Conference is an extremely timely one too, because it is an opportunity to consider the very changed environment in which Intellectual Property is operating at the moment in the world and the accelerated pace of change in respect of those circumstances. Allow me just to allude to a couple of those elements of change that we see in the context of Intellectual Property.

First of all, the position of Intellectual Property in the economy. It is no longer on the periphery of the economic system. It is very much central to the economic system. We see, on the one hand, more and more governments around the world espousing innovation as a major element of their economic strategy, a major way of creating sustainable economies,

particularly in a time when commodity prices are suffering and have been considerably lowered around the world. Innovation, a value addition, is increasingly present in the economic strategy we see in all forms of economies - developed, developing, least developed, transitioning economies - around the world. The role of Intellectual Property in relation to innovation is to protect the competitive advantage that is conferred by innovation.

We see similar developments in respect of the cultural and creative industries. There was a recent study done by CISAC and Ernst and Young at the end of 2015, which valued the world market for cultural and creative work at 2.25 trillion US dollars. It is an extraordinarily large market. It is also estimated that there are some 29.5 or 30 million jobs involved in the cultural and creative industries. Again, when you look at those industries, copyright is a central mechanism for financing cultural production and creating markets for creative works. Intellectual Property plays the role of creating the possibility of market exchange, and it does so by making access a saleable commodity. Since access is a saleable commodity, this is the basis for the possibility of market exchange.

On the other hand, of course, that role of access also raises questions about the possibility of access and the cost of access and that raises in turn the pervasive question, in the field of Intellectual Property, of finding the right balance between, on the one hand, creating the appropriate incentives to enable market exchange, to enable investment and, on the other hand, ensuring the social enjoyment of the benefit that is derived from innovation and creative and cultural works.

I should like to mention three other changes, besides the centrality of Intellectual Property, which have emerged in the course of the last 20 years. We see it is a more multipolar world. Let me give you two statistics in terms of international patent applications filed under the Patent Cooperation Treaty here at WIPO. Asia now accounts for 40 percent of those applications, which is an extraordinary change from the situation just 20 years ago. That compares to about 28 percent for Europe and 27 percent for North America. A similar analysis can be done in terms of sales in the creative industry where we see again that Asia is the region in which the greatest number of sales occurs for creative works – around 34 percent of world sales.

It is a world also in which we have seen great changes in the instruments of international cooperation. This is particularly relevant to development cooperation and the role of Intellectual Property in development. I welcome the public - private partnerships who are present and which are being represented amongst the speakers and we see that these are also instruments of balance in dealing with this fundamental and pervasive question of finding the appropriate balance across the world of Intellectual Property.

Finally let me say that it is a globalized world. One of the best expression of this, recently, and the relevance of that to Intellectual Property was presented in an article by Brynjolfsson, where it was said that in a globalized world of open markets and free trade, labor and capital tend to drift to the location of higher value use and what becomes the scarce resource is ideas and innovation. It is a complex environment, a very fast-changing environment and I think that the subject that is being addressed by this Conference is certainly an extremely important one.

I welcome your presence here. I welcome the discussions that will take place over the course of the next two days. Thank you.