On July 15, 2016, "KDI’s Ombudsman System Study Mission" visited KOTRA and Invest Korea to learn about the Foreign Investment Ombudsman System in Korea. On behalf of the Office of the Foreign Investment (OFIO), I gave a presentation on ‘Korea’s Foreign Direct Investment & the Ombudsman System’ on the occasion of this year’s mission.

In attendance were a group of about 18 graduate students accompanied by Professor Tony Michell at the KDI School of Public Policy and Management here in Korea. The KDI School was established in 1997 by the Korea Development Institute to educate and develop the next generation of leaders in the public and private sector. In particular, the school aims to produce talents by equipping them with global expertise and the ability to adapt to today’s rapidly changing and globalizing economy. It is also noteworthy to mention that classes in the KDI School began in 1998, the same year when the Investment Aftercare Team was established within the Korea Investment Service Center, later relaunched as Invest Korea.

Alumni at the KDI School from over 110 countries have already played significant roles in their own countries and those who participated in this study visit are from many different countries including Tanzania, Ethiopia, India, Moldova and Uzbekistan. The classmates who have previously worked as key government officials in their home countries involved are currently studying in Korea as part of government scholarship programs.

The international students’ goals are to learn from Korea’s remarkable economic development experience and to contribute to further economic growth in their home countries. In this regard, this study trip served as a great opportunity for the participants to learn, discuss, and better understand the Foreign Investment Ombudsman system, which resulted in garnering a positive response.

The Ombudsman’s presentation was followed by a Q&A session and the attendees were involved in active participation. Many meaningful questions and issues were raised. Among them were the balanced coordination between foreign investors and the Korean government when handling foreign investors’ complaints, the scope and areas of the Ombudsman support and other countries with the successful establishment of such a system.

The Foreign Investment Ombudsman system in Korea is now eyed as the best practice around the world, and other countries such as Russia have already benchmarked and introduced the Ombudsman system.

South American countries like Brazil, Chile, and Colombia signed the Cooperation and Facilitation Investment Agreement (CFIA) and agreed to introduce the Ombudsman system to protect each party’s investors. Even prior to the conclusion of the Agreement, the CFIA has included a provision to protect foreign investors to resolve the difficulties facing foreign-invested companies in each country, which means there is now an urgent need for those countries to benchmark the Ombudsman system in Korea.

Sooner or later, the KDI’s international students on this study visit will go back to their home countries and may establish economic policies to further boost foreign investment in the countries. We hope that the participants will introduce and take full advantage of Korea’s Foreign Investment Ombudsman system, often cited as exemplary with regard to investment aftercare services.

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