

**Food Security and nutrition in the Post 2015 Development Agenda:
Goals, Action and Outcomes
Private Sector Mechanism - 13 October 2015
John Young Simpson, Duxton Asset Management**

Chairperson, your Excellencies,

My name is JY Simpson, Vice-President at Duxton Asset Management, a Singapore-based asset manager with over USD 750mn invested in the agricultural production, processing and outgrower extension service sectors. Investments made primarily for our clients to grow their capital in an industry for which formidable development is required over the next 15 years - all from a base today of chronic underfunding and low levels of capitalization.

Against, the backdrop of the UN's sustainable development agenda, and the ensuing discussions surrounding the implementation and monitoring of strategies for which to achieve food security and promote sustainable agriculture, financial investors like Duxton continue to action pioneering investment strategies in the agricultural sector.

Within the last 6 months we have invested to convert marginal tea plantations with our local partner in Sri Lanka into milk production units and dairy forage farms. Whilst seeing attractive returns for our capital based on growing domestic demand for fresh and high-quality dairy products - replacing inferior reconstituted milk products costing a country like Sri Lanka USD 300mn in foreign exchange annually - we have also taken the mantle of responsibility in communities for whom the maintenance of employment and livelihoods was becoming increasingly unclear. An example of the private sector's unique capability to rejuvenate an industry whilst solving significant social issues - a solid basis for any partnership between the private and public sectors.

In India, we have also invested in the Darjeeling tea industry and are currently transferring the packaging and branding of Darjeeling tea back to India for the first time, bringing onshore value addition and pricing to an industry which until now has outsourced such economic activity to Europe losing valuable pricing margins. As investors and co-shareholders alongside local farmers and producers our interests are inherently aligned and we seek to get our produce as close to market and the consumer as possible.

These are both active case studies for the much-needed entrepreneurial kick-start for which agricultural communities are badly in need of.

Madame Chairperson, your Excellencies, private sector investments can complement stretched public resources of national governments and provide expertise, technology-transfer and best-practices to the communities around us whilst being accountable in terms of land tenure and supporting traditional livelihoods.

As the post-2015 debate continues to deal with how best to support farmers, from large-scale agricultural projects to small-scale efforts, financial sector investments such as ours in Sri Lanka and India , prove that there is a way to support all farmers - big, medium and small - through well planned and executed investment models and strategies.

We urge all those looking to shape the food security agenda post-2015 to look closely at the benefits that the financial sector can bring to the global agriculture industry, combatting key-issues such as malnutrition and hunger through improved productivity and access, and encourage governments and multi-lateral financing institutions set aside additional funds in their annual budgets to further develop this vital investment industry.