

Present Situation, Problems and Strategies of Agricultural Credit Policy in Dingxi City

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Abstract This paper analyzes the current situation of agricultural credit policy in Dingxi City, and further studies the problems in the implementation of credit policy in Dingxi City, and puts forward strategies and suggestions according to these problems.

Key words Agricultural credit policy, Agricultural development, Dingxi City

1 Introduction

Agriculture is the foundation of national economy, and the healthy, stable and sustainable development of agriculture is the premise of national development and the fundamental guarantee for building a well-off society in an all-round way^[1]. The Party and the state promote the implementation of agricultural credit policy to varying degrees. The implementation of agricultural credit policy can improve farmers' life and promote rural development, and it is also related to the successful realization of China's economic quality improvement and national modernization. In order to respond to the call of the state, Dingxi City has formulated a series of agricultural credit policies according to local conditions on the basis of the credit policies formulated by the state. With the implementation of agricultural credit policy in Dingxi City, some good results have been achieved. While promoting agricultural credit policy, there are also some problems, such as farmers' low acceptance of agricultural credit policy, inadequate publicity of agricultural credit policy, and imperfect standards of agricultural credit policy, which have a certain impact on the implementation of agricultural credit policy.

Marx^[2] mentioned that the foundation of all developed division of labor through commodity exchange is the separation of urban and rural areas, and farmers, as guardians of rural areas, play an important role in promoting the implementation of agricultural credit policy when facing agricultural credit policy. Ceng Jifen^[3] thought that the problems of "difficult financing" and "expensive financing" of various new agricultural business entities are particularly prominent. Zhang Wei^[4] suggested that the government should use limited financial funds to improve the guarantee level of agricultural insurance in poverty-stricken areas. Therefore, taking Dingxi City of Gansu Province as an example, this paper studies the role of agricultural fiscal policy in developing agri-

cultural modernization, the scale and structure of agricultural fiscal expenditure in Dingxi City of Gansu Province, and the influence of agricultural fiscal policy on agricultural development. Finally, in accordance with the new situation of modern agricultural development in Gansu Province, this paper puts forward some policy suggestions to further improve financial support for agriculture.

2 Current situation of agricultural credit policy in Dingxi City

The agricultural credit policy in Dingxi City promoted the rapid development of agriculture, farmers and rural areas in Dingxi. Therefore, before analyzing the problems of agricultural credit policy in Dingxi City, we should first analyze the current situation of agricultural development and agricultural credit policy in Dingxi City.

2.1 General situation of agricultural development in Dingxi City In 2020, the added value of the primary industry reached 8.98 billion yuan, an increase of 1.18 billion yuan or 5.9% year-on-year. The growth rate ranked third in the province, driving GDP growth by 1.2 percentage points. The rate of contribution to GDP reached 26.5%. In 2020, the grain planting area was 116.77 million ha, an increase of 700 000 ha over the previous year, including 30.08 million ha of rice planting area, an increase of 380 000 ha, 23.38 million ha of wheat planting area, a decrease of 350 000 ha, and 41.26 million ha of corn planting area, a decrease of 20 000 ha.

2.2 Agricultural credit policy of Dingxi City In December 2020, the balance of RMB loans in the whole city was 84.098 billion yuan, an increase of 7.035 billion yuan or 9.13% year-on-year. In 2020, affected by COVID-19 pandemic, the economy suffered a serious recession, and the industrial chain and supply chain were seriously blocked. In order to enhance the kinetic energy of economic growth and give full play to the regulatory role of macro policies, financial institutions in the city increased credit supply to support the development of the real economy, and the

loan growth exceeded expectations. The loan growth rate has been rising all the way, rising to 11.05% in October, reaching a new high in the past three years. Affected by the write-off of non-performing loans, the city's loan growth rate fell slightly to 9.13%, but it was still 5.25 percentage points higher than that of the same period last year.

3 Problems in agricultural credit policy in Dingxi City

There are many problems in the implementation of agricultural credit policy in Dingxi City. According to the above analysis of the current situation of agricultural credit policy in Dingxi City, it is found that the standards of agricultural credit policy in Dingxi City are not uniform, the innovation ability of agricultural credit policy is insufficient, and the publicity of agricultural credit policy is not in place during implementation.

3.1 Non-uniform implementation standards of agricultural credit policies

The implementation standard of agricultural credit policy in Dingxi City is not unified, and a reasonable supervision system has not been established. For example, Dingxi Municipal Government introduces a series of fiscal and tax subsidies every year, but in practice, it is found that the application conditions of these subsidies are extremely high, which makes some farmers and small enterprises who really need help unable to get help and subsidies. After the implementation of agricultural credit policy in Dingxi City, there is also a lack of relevant departments to pay attention to and supervise the implementation results and effects of agricultural credit policy in time, and the transparency of policy implementation is insufficient and external constraints are lacking.

3.2 Insufficient innovation ability of agricultural credit policy

When implementing the agricultural credit policy in Dingxi City, we should intensify innovation, learn from the experience of other excellent cities, and launch a series of agricultural credit mortgage products, such as joint guarantee loans and land right mortgage loans. However, many innovations have not been implemented, only staying on the surface of agricultural credit policy, and farmers have not really felt the benefits of agricultural credit policy. As for Dingxi credit policy, we should first train the staff and let them know the contents of agricultural credit policy, so that they will be more competent in their work.

3.3 Insufficient publicity of agricultural credit policy

At present, the publicity of agricultural credit in Dingxi City is not in place, and most farmers do not know the main contents of agricultural credit policy, nor do they know what this policy is used for. It is necessary to actively publicize the knowledge of agricultural credit policy to farmers^[5]. While promoting the smooth implementation of agricultural credit policy, we should enhance farmers' understanding and recognition of agricultural credit policy, actively guide farmers to form reasonable expectations, dispel their con-

cerns about agricultural credit policy, and then promote the development of agriculture and rural areas.

4 Strategies and suggestions for optimizing agricultural credit policy in Dingxi City

According to the above analysis of the current situation and problems of agricultural credit policy in Dingxi City, this paper puts forward targeted strategies and suggestions for the problems in the credit policy in Dingxi City. It is hoped that the implementation effect of agricultural credit policy will be better by improving the implementation of agricultural credit, promoting the effective implementation of policies, promoting the innovation of agricultural credit model and increasing the publicity of agricultural policies.

4.1 Unifying the implementation standards of agricultural credit policy

Dingxi City should unify the implementation standards of agricultural credit policy and establish a reasonable supervision system. It is necessary to focus on the overall planning of subsidy funds allocated by the central government. The relevant departments of Dingxi should adopt the agricultural credit policy issued by the central government in accordance with the relevant regulations to promote the implementation of the agricultural policy, so as to make the central financial subsidy play the greatest role. Unifying the implementation standards of agricultural credit policy in Dingxi City will reduce the loan procedures for farmers and micro-enterprises, and make the implementation of agricultural credit policy more standardized.

4.2 Promoting the innovation of agricultural credit model

First of all, it is necessary to accelerate the innovation of credit management. Secondly, it is necessary to take diversified local agricultural credit policies and measures, such as giving special support to rural vulnerable groups and giving interest rate subsidies. The implementation of these measures is mainly used to improve farmers' demand for credit funds and broaden the credit channels of vulnerable groups to promote the rapid development of agriculture. Finally, giving preferential interest rates to farmers who repay in time reduces the repayment pressure of farmers and improves their enthusiasm for repayment.

4.3 Increasing the publicity of agricultural credit policy

In addition to the above two measures, it is necessary to further strengthen the promotion of agricultural credit policy. Dingxi Municipal Government should regularly carry out lectures on agricultural credit policy, and regularly distribute the contents of agricultural credit policy by using paper and electronic media. It is necessary to send village cadres to farmers' homes to publicize the agricultural credit policy, only by letting farmers know the benefits of the agricultural credit policy can they improve their enthusiasm for loan. It is necessary to go to enterprises to publicize the agricultural credit policy for small and medium-sized enterprises. Through the above measures, we can maximize the support of agricultural credit policy to farmers and small enterprises.

wheat reached 10.710 6 million, 9.322 5 million and 5.878 1 million t, respectively, accounting for 82.87% of the total^[4], showing great potential for comprehensive utilization of crop straw.

There are still problems in the comprehensive utilization of crop straw in Xinjiang. First, comprehensive utilization of cotton straw is performed in a single direction. Xinjiang has a huge output of cotton straw, but basically all of them are returned to the field, and the ratio of feed and fuel utilization is low, which is inconsistent with Xinjiang's policy of vigorously developing animal husbandry and reducing carbon emissions. Second, the scientific and technological content of comprehensive utilization of crop straw is insufficient, resulting in low benefit. The comprehensive utilization of crop straw in Xinjiang is mainly extensive processing and use, and it is not enough in fine processing and accurate use. Third, crop straw collection, storage, transportation and supply system is not perfect. The spatial pattern of crop straw storage and processing system construction in Xinjiang is not scientific enough, resulting in increased collection and transportation costs.

In view of the above problems, the following suggestions are put forward for the formulation of crop straw policy: (i) Increasing the policy support for scientific research investment and demonstration in cotton straw feed and fuel conversion, and improving the level of crop straw feed and fuel conversion in Xinjiang; (ii) increasing the policy support for the efficient use of crop straw, such as process research and equipment introduction of straw fine feed processing, straw gasification, straw materialization, *etc.*, to improve the added value of comprehensive utilization of straw; (iii) increasing policy support for construction of collection, storage and transportation system.

(From page 12)

5 Conclusion

Agricultural credit policy is an important part of China's agricultural and rural development, and it is also the foundation and guarantee to promote the rapid development of agriculture and rural areas. By analyzing the current situation of agricultural credit policy in Dingxi City, it is found that there are some problems in the process of implementing agricultural credit policy in Dingxi City, such as inconsistent implementation standards, insufficient innovation ability of agricultural credit policy, and inadequate publicity of agricultural credit policy. In order to improve the enthusiasm of farmers and micro-enterprises for loan, this paper puts forward some strategies and suggestions in view of the above problems. These suggestions can promote the publicity of agricultural credit policy in Dingxi City, enhance farmers' understanding of agricultural credit policy, and strengthen the role of agricultural credit policy in promoting agriculture, farmers and rural areas.

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