

# Research on the Reform of "Separation of Three Rights" for Rural Homesteads in Juancheng County, Shandong Province

Jianglin MU, Shiqin YANG\*

Institute of Land Resources and Sustainable Development, Yunnan University of Finance and Economics, Kunming 650221, China

**Abstract** In order to realize rural revitalization in an all-round way and promote the sustainable and healthy development of the economy and society, China is committed to deepening the pace of building a new countryside with Chinese characteristics. The reform of the "Separation of Three Rights" of rural homesteads is a key measure, which aims to activate rural resources, enhance the vitality of rural economic development, and then promote the overall process of rural revitalization. This study selects Juancheng County, Heze City, Shandong Province as a typical case. Through an in-depth analysis of the relevant policy orientation of the national homestead reform and the specific practice of local promotion work, it systematically sorts out the registration of homestead rights, transfer of use rights and relevant policy measures adopted in paid use, qualification conversion, policy publicity and system establishment. After in-depth research on the system reform practice of the "Separation of Three Rights" of homesteads in Juancheng County, this paper reveals the main problems existing in the current reform, including the lack of clear policy support for the mechanism of paid use of homesteads, difficulties in the process of identifying qualification rights and challenges, the imperfection of the transfer mechanism of use rights, and the lack or lag of relevant policies. A series of problem-oriented policy suggestions are put forward, including establishing and improving the system of paid use of rural homesteads, improving the income distribution mechanism, promoting the innovation of the mortgage guarantee system for the right to use homesteads, and optimizing the homestead qualification certification procedures. These suggestions aim to provide a useful reference for the Juancheng County Government in promoting the reform of "Separation of Three Rights" of homesteads, and then promote the rational allocation and efficient utilization of rural homestead resources.

**Key words** Rural homesteads, "Separation of Three Rights", Rural revitalization, Juancheng County

## 1 Introduction

The "Separation of Three Rights" of rural homesteads is a major measure to promote rural economic development and rural revitalization. However, due to the extremely complex characteristics of homesteads, academic circles have conducted in-depth discussions on the reform of "Separation of Three Rights" of homesteads. The first is the study of the circulation of the right to use and the relationship between the right to use and ownership in the "Separation of Three Rights". There are many research directions on the issue of rural homestead use rights. Some scholars believe that the transfer of homesteads is conducive to increasing farmers' property income and improving farmers' welfare levels. Qiao Luyin<sup>[1]</sup> proposed that the original intention of the reform of "Separation of Three Rights" of homesteads is to give farmers more sufficient property rights and interests of homesteads through "returning rights and empowering". Hou Jiao *et al.*<sup>[2]</sup> found that the transfer of homesteads can significantly improve the welfare level of farmers based on the survey of farmers in Hubei Province. Lin Chao, Lu Ping<sup>[3]</sup>, Lu Jinfeng *et al.*<sup>[4]</sup> believe that the transfer of homesteads is conducive to promoting rural revitalization and urban-rural integration, promoting changes in farmers' thinking,

thereby accelerating land transfer and increasing income. Zhang Qingyong and Liu Shouying *et al.*<sup>[5]</sup> proposed comprehensively deepening the reform of the rural homestead system and promoting rural revitalization. Lin Chao<sup>[6]</sup> believes that only by balancing the establishment of homestead qualification rights and homestead use rights can farmers' rights and interests be maximized. In the study of the relationship between the right to use and ownership, one point of view is that the right to use rural homesteads and land ownership fall into the same category, and the two are basically the same. The second point of view is that the right to use rural collective land is a right to obtain benefits from something owned by others. The third point of view, which is also generally recognized, is that the right to use rural homesteads should be effectively liberalized on the basis of guaranteeing collective land ownership. Hu Xinyan *et al.*<sup>[7]</sup> believe that the homestead acquisition method should be changed from "free acquisition" to "paid acquisition", and the holding period should range from long-term to 70 years, which provides an alternative path for the separation of mortgage and transfer of real estate. The second is the research on the relevant issues in the reform of "Separation of Three Rights". In the process of working in various pilot areas in China, the reform of "Separation of Three Rights" in rural land has also encountered various problems. Zhu Fanglin *et al.*<sup>[8]</sup> believe that the problems in the process of homestead reform mainly include the high proportion of idle homesteads in the use of homesteads, incomplete usufruct rights of homesteads, disorderly expansion, and

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Jianglin MU, master, research fields: land resources and land use.

\* Corresponding author. Shiqin YANG, PhD., lecturer, research fields: regional sustainable development and land use.

incomplete registration of real estate rights integrating real estate and land and other issues. Zou Mengling *et al.*<sup>[9]</sup> believe that the effective realization of the "Separation of Three Rights" of homesteads faces difficulties such as the unclear legal positioning of the subject of ownership exercise, the long-term ambiguity of the definition of qualification rights, and the difficulty in grasping the "degree" of moderate liberalization of use rights. The last is the research on the relevant reform policies of the "Separation of Three Rights". In order to promote the circulation of rural collective land use rights, the academic circles have carried out various discussions on relevant reform policies. Chen Changling *et al.*<sup>[10]</sup> believe that to improve the governance performance of homestead exit, in terms of governance environment, we must continue to deepen the reform of the "Separation of Three Rights" of rural homesteads and the reform of the household registration system. Fu Zongping<sup>[11]</sup> believes that due to the different conditions of each region in the reform of the homestead system in China, the reform policies of each region should be formulated on their own under the principles issued by the state, and in line with the actual situation of each region, and should not be copied from policy in the regions with fruitful reforms. Liu Runqiu *et al.*<sup>[12]</sup> believe that under the background of common prosperity, the reform of the "Separation of Three Rights" of homesteads in traditional agricultural areas should pay more attention to improving the income distribution mechanism and regional coordinated development mechanism that are in line with fairness and justice. Fang Guanglei<sup>[13]</sup> believes that there must be a clear value orientation of the rule of law, a sound legal system and a mature market-oriented operation model. Shen Shizhan and Yang Chunxue<sup>[14]</sup> believe that the simultaneous promotion of the reform of the fiscal and taxation system, the transformation of government functions, and the transformation of economic growth methods are important guarantees for promoting the reform of the "Separation of Three Rights" of homesteads in the future. Xiang Chao<sup>[15]</sup> believes that legal systems such as market access, order regulation, price regulation, and exit regulation should be configured.

Juancheng County, Heze City, Shandong Province is located at the junction of Shandong and Henan. Juancheng County is in the north of Heze City, with a total area of about 1 032 km<sup>2</sup>. It is one of the first batch of 17 pilot counties for the system reform of the "Separation of Three Rights" for homesteads in Shandong Province established in 2018. After the reform and opening up in 1978, the number of migrant workers increased, and the loss of rural labor force led to a large number of idle rural homesteads. Juancheng County has explored in this regard and actively promoted the reform of "Separation of Three Rights". However, during the reform, there are still imperfect policies and regulations on the paid use of homestead use rights, complicated conditions of villagers, which makes it difficult to define the qualification right, and causes some problems such as mortgage guarantee in the right to use homestead.

This paper makes an in-depth discussion on the system reform

of the "Separation of Three Rights" of rural homesteads in Juancheng County, analyzes the relevant problems in the reform of the "Separation of Three Rights" of rural homesteads in Juancheng County, and finally puts forward corresponding measures based on the problem, in order to help improve the pilot work in Juancheng County, promote the economic development of Juancheng County, better guarantee the rights and interests of farmers in Juancheng County, and increase the income of farmers in Juancheng County.

## 2 The connotation and reform policy of "Separation of Three Rights" in rural homesteads

**2.1 The connotation of the system reform of the "Separation of Three Rights" for rural homesteads** The "Separation of Three Rights" of homesteads refers to the implementation of collective ownership of homesteads, the protection of farmers' qualification rights and farmers' housing property rights on homesteads, and the moderate liberalization of homesteads and farmers' housing use rights. The owner of the homestead is the village collective, and its members have the right to the confirmed homestead, while the holder of the homestead, that is, the owner of the so-called rural self-built house, is the villager in the village. Specifically, it mainly includes the following three aspects.

First, it is for ownership. After the separation of the three rights, the ownership of rural homesteads remains unchanged and they remain collectively owned. The collective economic organization distributes the benefits obtained after the transfer of the right to use according to a certain proportion. At the same time, it is also conducive to strengthening the supervision of rural collective land use.

Second, it is for qualification rights. Stabilizing farmers' rights is to ensure that farmers' families have the right to occupy land as a collective economy. From obtaining to income distributing, land use rights are related to the identification of qualification rights, and the determination of qualification rights is one of the key and difficult points.

Third, it is for the right to use. Fourth, moderately liberalizing the right to use homesteads refers to the realization of the transfer of the right to use homesteads, mainly for the purpose of improving the intensive use of homesteads, so that the land value potential of homesteads can be fully tapped.

**2.2 Policies related to national rural homestead reform** In the reform, the central government has always regarded the implementation of collective ownership and the protection of farmers' legal rights as two core lines. Collective ownership of homesteads is the fundamental guarantee for the reform of China's rural land system. Guaranteeing the legitimate rights of farmers is the need and purpose of continuous reform. The reform of the homestead system is to change the problem that the interests of farmers were damaged in the past policy of land acquisition and construction land. On the whole, it reflects the gradual improvement in the reform of "Separation of Three Rights" in rural homesteads. This article collects and sorts out relevant policies on homestead reform, as shown in Table 1.

**Table 1** Policies related to rural homestead reform in China

Time	Document name	Important content
February 2018	<i>Opinions of the CPC Central Committee and the State Council on Implementing the Rural Revitalization Strategy</i>	It is innovatively proposed to explore the realization of the "Separation of Three Rights" of homestead ownership, qualification rights, and use rights.
September 2018	<i>Rural Revitalization Strategic Plan 2018 –2022</i>	It has become the beginning of the reform of the "Separation of Three Rights" of homesteads.
December 2018	<i>Resolution of the Seventh Session of the Standing Committee of the Thirteenth National People’s Congress</i>	It is proposed to revitalize the stock construction land in rural areas, improve the policy of farmers’ idle homesteads and idle farm houses, and explore the "Separation of Three Rights" of homesteads.
January 2019	<i>Several Opinions of the Central Committee of the Communist Party of China and the State Council on Adhering to the Priority Development of Agriculture and Rural Areas and Doing a Good Job in Agriculture, Rural Areas, and Farmers</i>	It is proposed to extend the authorization of the State Council to temporarily adjust the implementation of relevant laws and regulations in the administrative regions of 33 pilot counties (cities, districts) including Daxing District, Beijing until December 31, 2019, and do a good job in the connection with the revision of the <i>Land Management Law</i> .
January 2020	<i>Opinions of the Central Committee of the Communist Party of China and the State Council on Grasping the Key Work in the Field of Agriculture, Rural Areas, and Farmers to Ensure the Realization of a Well-Off Society in an All-Round Way as Scheduled</i>	It is pointed out that it is necessary to steadily promote the reform of the rural homestead system, speed up the revision of laws and regulations such as the <i>Land Management Law</i> and the <i>Property Law</i> , and improve the system design.
November 2020	<i>Suggestions on the 14<sup>th</sup> Five-Year Plan and the Long-term Goals for 2025</i>	It is proposed that it is necessary to continue to promote the system reform measures of the "Separation of Three Rights" of land contractual management rights, and "further deepen the pilot reform of the rural homestead system".
February 2021	<i>Several Opinions of the Ministry of Land and Resources, the Office of the Central Rural Work Leading Group, the Ministry of Finance, and the Ministry of Agriculture on the Confirmation, Registration and Certification of Rural Collective Land</i>	It clearly defines the nature of the "Three Rights".
February 2022	<i>Opinions of the Central Committee of the Communist Party of China and the State Council on Doing a Good Job in Promoting the Key Work of Rural Revitalization</i>	It marks that the reform of "Separation of Three Rights" of homesteads has officially become the focus of China’s homestead reform.
February 2023	<i>Opinions of the Central Committee of the Communist Party of China and the State Council on Doing a Good Job in Promoting the Key Work of Rural Revitalization</i>	It is clearly pointed out that the scope of confirmation, registration and issuance of rural collective land rights should be clarified, the representatives of the main body of rural collective land ownership should be clarified, the main body of homestead use rights should be strictly regulated, and the confirmation, registration and issuance of rights of homestead exceeding the prescribed area should be carried out according to different historical stages.

**2.3 Task of rural homestead reform** According to the relevant opinions issued by the Central Committee of the Communist Party of China and the State Council on the system reform of the "Separation of Three Rights" for homesteads and various policy documents issued by the Juancheng County People’s Government, the tasks of rural homestead reform can be summarized into the following four aspects.

First, exploring how collective economic organizations realize the ownership of homesteads. The realization of rural collective land ownership should be based on rural planning, homestead distribution, use, withdrawal, circulation and other related management functions, and it is necessary to reform and explore the realization of rural land collective ownership. For the problems left over from the history of homesteads, we should seek truth from facts and put ourselves in the position to solve them. On major issues such as the planning, distribution, and use of rural homesteads, it is necessary to fully protect the legitimate rights and interests of farmers and effectively protect the relevant rights of farmers.

Second, protecting the qualification rights of farmers on

homesteads and the property rights of farmers’ houses.

(i) Improving the identification method. It is necessary to strictly implement the policy of "one household, one house", improve the qualification certification procedures, take household as a unit to register the homestead of members of collective economic organizations, and confirm their rights. For those who return to their hometowns for employment and introduced talents, it is necessary to study and formulate relevant policies suitable for the local area and discuss how to protect farmers’ house ownership.

(ii) Broadening the realization form. It is necessary to change the previous way of realizing qualification rights only through the right to use homesteads, and explore the establishment and improvement of various forms of realization of qualification rights for qualified farmers to apply for public rental housing and exchange for equity and currency. In some areas, it is possible to explore the establishment of a connection mechanism between homesteads and urban housing, and include residents who cannot enjoy homestead qualifications into the scope of urban housing security.

(iii) Exploring ways to exit and regain. It is possible to encourage qualified farmers to voluntarily withdraw their qualification rights for fee; for farmers who intend to withdraw their homestead qualification rights, but are unwilling to completely lose their qualification rights, they can try various forms such as "retaining rights but not land". For the loss of land use rights due to natural reasons, and farmers who settle in cities and voluntarily return their land, they can re-obtain the right to homestead qualifications.

Third, exploring ways to liberalize the right to use homesteads and farmers' houses.

(i) Researching and establishing a compensation mechanism for the excess part of rural collective land. It is necessary to establish a system for the paid use of the excess part of rural homesteads, explore a system for the paid use of the excess part based on collective property, clarify the part that exceeds the limit, and implement paid use of homesteads that exceed a certain limit.

(ii) Exploring the circulation mechanism of rural homesteads and farmers' housing use rights. It is necessary to reasonably define the transfer, gift, inheritance, and lease of rural homesteads and farmers' houses, and set the transfer period, transfer method, and transfer purpose. It is necessary to explore the liberalization of the right to use rural homesteads and rural collective land, and rural areas and rural residents can use their houses to engage in leisure and tourism activities in accordance with the law. While strictly prohibiting the illegal trading of homesteads, the use of homesteads must be strictly controlled.

In addition, it is necessary to establish a post-approval supervision mechanism for homesteads. In rural collective economic organizations, it is necessary to explore supervision mechanisms for the acquisition, use, withdrawal, and mortgage of homesteads. The dynamic management system of rural homestead should be established to realize the exchange of homestead information, the dynamic management and the opening of query, and the sharing of homestead information. It is necessary to strengthen the supervision of the management and implementation of townships and villages.

### 3 The progress of the system reform of the "Separation of Three Rights" for rural homesteads in Juancheng County

#### 3.1 Institutional framework and organizational system for the reform of "Separation of Three Rights" in homesteads

**3.1.1** Institutional Framework for the reform of "Separation of Three Rights" in homesteads. In terms of implementing homestead ownership, Juancheng County clearly stated in the *Implementation Plan for Registration and Certification of Rural House and Land in Juancheng County* that the homestead confirmation, registration and certification work should adhere to five basic principles (the principle of legal registration, the principle of openness and fairness, the principle of localization management, the principle of integration of real estate and land, and the principle of convenience and benefit for the people) and clarify the tasks and procedures for confirmation and registration. Under the guidance of the policy, Juancheng County has carried out land rights confirmation registra-

tion and related certification work. In order to ensure the village collective's function of ownership management, Juancheng County issued the *Juancheng County Homestead Management Measures*, revised the *Juancheng County Homestead Approval Management Measures*, and started with the homestead management and made detailed regulations on the examination and approval of the homestead. *The Guiding Opinions on the Paid Use of Rural Homesteads in Juancheng County* has made relevant regulations on the paid use of homesteads that do not meet the conditions for free use of homesteads, such as "one household with multiple houses".

In terms of guaranteeing homestead qualification rights, the *Juancheng County Rural Homestead Qualification Rights Identification Measures* was promulgated, which clarified the principles, identification process, identification scope and other requirements for the identification of homestead qualification rights, and specified in detail the matters related to the identification of the qualification right of homestead.

In terms of activating the right to use homesteads, Juancheng County issued the *Juancheng County Rural Homestead Exit and Transfer Measures and Pilot Mortgage Loans Management Measures for Juancheng County Rural Homestead Use Rights and Farmers' Housing Property Rights*, which clarified the exit of qualification rights and a series of principles, conditions and procedures for the mortgage of the right to use, and clearly stipulated the scope and conditions of the mortgage for farmers' housing property rights, and the preferential interest rate policy implemented by Juancheng Agricultural and Commercial Bank for the certificate of immovable property rights for mortgage loans for rural homestead and farmers' housing property.

**3.1.2** Organizational system. Juancheng County established a leading group for the reform of "Separation of Three Rights" of homesteads, and established a three-level homestead transfer service mechanism (county-level homestead transfer service centers, township-level transfer service stations, and village-level transfer information officers) to ensure information reporting and distribution and the timely feedback of problems, forming a relatively strict organizational system. At the same time, the homestead archives have been established, the management of circulation archives has been strengthened, the supervision and risk prevention mechanism has been improved, and a relatively complete follow-up management mechanism has been formed, providing support for the reform of Juancheng County.

**3.2 The reform of the "Separation of Three Rights" of homesteads** By sorting out and summarizing the relevant documents issued by the Juancheng County Government, the reform of the "Separation of Three Rights" of homesteads in Juancheng County is analyzed and explained from the following four aspects.

**3.2.1** Promotion of homestead reform policy. The reform content of the "Separation of Three Rights" is very extensive, has many influencing factors, is related to the vital interests of farmers, and is pioneering and unique, so in order to let villagers know and understand the work of "Separation of Three Rights" on homesteads, Juancheng County formulated the *Implementation Opinions on Comprehensively Strengthening the Pilot Propaganda Work of Separation of Three Rights in Homesteads*. Relevant personnel in the

pilot areas went deep into various blocks and villages to publicize the reform of the "Separation of Three Rights" of homesteads with the help of a combination of banner publicity, distribution of introduction materials, and policy publicity and broadcasts. Symposiums were held in pilot towns to explore possible problems. Policy publicity and technical guidance have laid a good foundation for promoting the smooth progress of the homestead reform in Juancheng County.

**3.2.2 Implementation of homestead ownership.** There are 17 townships in Juancheng County, with an area of 1 032 km<sup>2</sup> and a total of 452 administrative villages. Under the guidance of the *Implementation Plan for the Integrated Confirmation, Registration and Certification of Rural Real Estate and Land in Juancheng County*, Juancheng County conducted a comprehensive survey and property rights survey on the land and collective construction land in 45 villages in the county, and at the end of 2019, the certification of 143 559 homestead ownership in the county was completed. At the same time, a database of rural homestead use rights in Juancheng County was also built, providing data support for rural land use planning and management. In order to ensure the implementation of ownership, under the guidance of the *Guiding Opinions on the Paid Use of Rural Homesteads in Juancheng County*, the clean-up of idle homesteads was carried out. By the end of 2019, 90 pilot villages had cleaned up a total of 201 ha of idle homesteads. The area was 61.3 ha, and the paid use fee was 21.16 million yuan. The implementation of homestead ownership has taken a solid step.

**3.2.3 Guarantee of homestead qualification rights.** Under the guidance of the *Juancheng County Rural Homestead Qualification Right Determination Measures*, the homestead qualification right was determined. As of the beginning of 2022, 140 021 use certificates were issued, with a certificate issuance rate of 96.9%, and the certificate issuance work was basically completed. At the same time, a total of 3 401 collective land property rights registrations have been completed, with an approval rate of 100%. A land ownership database has been established, realizing rural collective land ownership, and laying the foundation for the transfer of homesteads.

**3.2.4 Liberalization of homestead use rights.** On the basis of confirming the collective ownership of homesteads and villagers' qualification rights, Juancheng County has liberalized the right to use in various ways. For example, Shenkou Village, Yanshi Town has explored the mechanism of paid exit and replacement of rural homesteads. Villagers withdraw their homesteads to replace new houses. Those who are unwilling to replace them can receive compensation from the mechanism of paid exit of homesteads. Shenkou Administrative Village is composed of three villages after unified planning, saving a total of 30.67 ha of land, and the rent saved from land transfer is owned by the village collective, which ensures the village collective ownership of the homestead.

Another example is that after the relocation and resettlement of the villagers in Sanhe Village, Juancheng County, the vacated collective construction land was used for the construction of the chemical industry park. *The Work Plan for the Relocation and Resettlement of Sanhe Village, Juancheng County Chemical Industry Park* clarifies the principle of relocation and resettlement of the

chemical industry park, the scope of relocation, and a series of principles, standards and procedures for property rights in exchange for houses, and clearly states that after the relocation, the ownership of all homesteads will still belong to the villagers, and the government will obtain the right to use them by leasing, so as to guarantee the qualifications of the villagers while realizing the transfer of the right to use the homestead.

As of the beginning of 2022, Juancheng County took the lead in proposing 5 pilot projects of "Separation of Three Rights", involving 4 townships, with an area of 133.3 ha. In addition, after the promulgation of the *Mortgage Loans Management Measures for Juancheng County Rural Homestead Use Rights and Farmers' Housing Property Rights*, Juancheng Rural Commercial Bank provided mortgages for a group of farmers who had completed real estate registration, thereby accelerating the reform process of the rural land transfer system in Chengcheng County.

To sum up, it is necessary to sort out the relevant policies of Juancheng County's system reform, and make an institutional framework diagram, as shown in Fig. 1.

## 4 Problems and strategies for the system reform of the "Separation of Three Rights" in Juancheng County

**4.1 The main problems faced by the system reform of the "Separation of Three Rights" for rural homesteads in Juancheng County** Using the method of literature research and case analysis, this paper discusses the reform of "Separation of Three Rights" of rural collective land in Juancheng County. After collecting, sorting out and reading relevant literature and related academic works, we have a deep understanding of the current research results on the reform of the homestead system at home and abroad, conduct in-depth research on the right to use, ownership, qualification rights, etc. of the homestead. According to relevant policies, regulations and news reports, some problems in the reform of the "Separation of Three Rights" of rural homesteads in Heze City and Juancheng County, as well as the successful experience and relevant regulations of other pilot areas, we put forward suggestions for Juancheng County.

**4.1.1 The policy regulations on the paid use of homestead use rights are not perfect.** In view of the current situation of rural land use in Juancheng County, Juancheng County has issued the *Guiding Opinions on the Paid Use of Rural Homesteads in Juancheng County*, which clarifies that "paid use of homesteads" is a targeted measure proposed aimed at the current reality of "one household with multiple houses" in China. However, in the face of farmers who own multiple homesteads, what standard should be used to collect collective costs when expropriating homesteads, whether there are problems such as external funds paying taxes and fees to the owner in the transfer of rural homestead use rights, it is urgent to get more perfect support policies and regulations.

**4.1.2 The complex situation of villagers makes it difficult to define qualification rights.** The confirmation of farmers' homestead qualification is an important prerequisite for farmers to obtain the right to use the homestead. However, under the current social development situation, due to the intricate relationship between fami-

ly members, there are many problems in the identification process. In the pilot project in Juancheng County, in addition to the obstacles brought about by the original homestead, the homesteads that need to be demolished, those who return to the village for some reasons to settle down, and those who do not have houses in the village, and the young people who "go and work in the countryside and mountainous areas" and return to their hometown with registered permanent residence still in the original village, it can be determined as qualification right after discussion by the masses according to the actual situation of the local area. However, in the event of a series of special circumstances such as individual farmers transferring their own homesteads to others, *etc.*, how to coordinate for those who do not have the qualification for homestead when Juancheng County wants to take back its original qualification rights, how to obtain the qualification of the homestead, when to

take back the land, how much compensation for the land and housing should be, how to liberate the land use rights, and how to deal with the land relationship, is an important task for Juancheng County to implement the reform of "Separation of Three Rights" of homesteads.

**4.1.3** There is a difficulty in mortgage guarantee for the right to use homesteads. When small-scale land transfer was carried out in the rural areas of Juancheng County, the land area was very small and there were very few mortgage loans. This was obviously far from enough, and many creative developers were trapped here. At the same time, due to the laws of China, rural homesteads must be transferred in their own villages. If the loan is passed, the housing of farmers will become a big problem once there is loan default. Therefore, many banks are unwilling to lend.

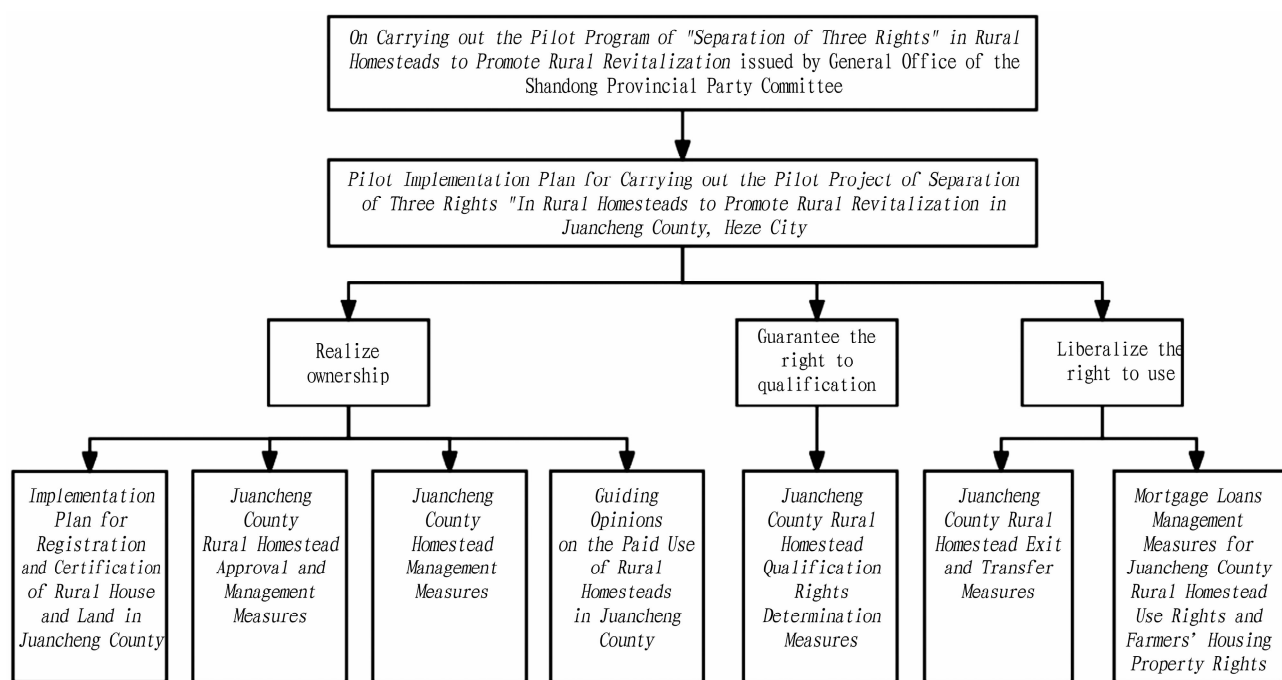


Fig. 1 Institutional framework of the reform of "Separation of Three Rights" of homesteads in Juancheng County

## 4.2 Suggestions on promoting the system reform of "Separation of Three Rights" for rural homesteads in Juancheng County

**4.2.1** Establishing a sound system for the paid use of rural homesteads. There have been long-term illegal occupation of rural homesteads in Juancheng County and other problems left over from history. Rural collective economic organizations should collect house rental fees from rural residents every year in accordance with relevant regulations; if there is vacant land, it is necessary to apply for multiple plots, and adopt bidding methods to publicly bid for the right to use the plot, and go through relevant registration procedures in accordance with the law. In the bidding process, it is necessary to adhere to openness and transparency, implement "three announcements" in accordance with relevant regulations, and consciously introduce the supervision of the masses.

**4.2.2** Establishing an effective homestead income distribution

system. The income distribution of the homestead mainly comes from the economic income generated by the paid use of the homestead and the bidding of the homestead. After the state deducts the relevant taxes and fees stipulated by the law, the remaining income should belong to the collective economic organization. Through a reasonable distribution plan and system, this part of income is reasonably distributed to the villagers. The rural financial accounting system should also be continuously improved, the rural fund account should be clarified, and the income from rural homesteads should be used to compensate and pay the original users who withdraw the right to use the homesteads. When distributing benefits, the wishes of farmers should be fully respected, and the distribution results should be announced in a timely manner.

**4.2.3** Improving the procedures for determining the qualification rights of rural homesteads. It is necessary to strictly abide by the principle of "one household, one house", standardize the identi-

cation of qualification rights, establish a sound homestead qualification right identification procedure, and establish a mechanism whereby villagers can enjoy the right to use homesteads free of charge; with the approval of the local government and the consent of the collective organization, high-quality talents who actively return to the countryside for employment and the introduced talents can apply for the right to use the homestead. When rural residents settle in cities, the government cannot take the right to use rural homesteads as a prerequisite. For farmers who intend to move from rural areas to cities and towns, they can combine the rural housing system with the urban housing system to obtain housing property rights as an exchange condition.

**4.2.4** Establishing a mortgage guarantee system for the right to use homesteads. Juancheng County can carry out financial reforms, allowing borrowers to apply for credit from banks based on the Juancheng County homestead use right certificate, and use the property rights of the their own homestead and the above-ground buildings as collateral objects. Correspondingly, the government should improve the follow-up procedures for loans and mortgages in a timely manner, and put the concept of homestead use rights as collateral into practice, in order to achieve high coverage, high penetration rate, and low risk.

## 5 Conclusion

Juancheng County, Heze City, as one of the first batch of reform pilot areas in Shandong, has made good progress in the overall work, but there are still problems such as the lack of effective policy support for the paid use of homestead, the complex situation of village members leading to difficulties in the identification of villagers' qualification rights, and difficulties in mortgage guarantee of homestead use rights. According to the problems existing in Juancheng County, through the study of a large number of relevant materials, relevant policies and regulations, and national policy principles, this paper puts forward targeted suggestions from three aspects (homestead ownership, qualification rights, and use rights), in order to promote the smooth completion of the system reform of "Separation of Three Rights" for the homestead in Juancheng County, Heze City, Shandong Province, and also provide good experience for the revitalization of rural areas in most areas of China.

China's pilot reform work for many years has achieved quite obvious results. The situation of the pilot project is different in different places, so the relevant policies and regulations are also different, and because it is a pilot project, there are still problems in many aspects, which are worthy of in-depth research and analysis, so as to ultimately promote the development of China's rural economy, increase farmers' income, improve farmers' happiness and achieve the great goal of national rural revitalization.

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