



Research on creating a new pattern of rural inclusive finance development

--Take Beijing as an example

Yuan Gao

Guilin University of Electronic Technology, Guilin, China

Email: 939661475@qq.com

Abstract. With the promotion and development of rural revitalization strategy, research on the development of rural inclusive finance has gradually begun. By analyzing the development status of rural inclusive finance in Beijing, this paper further explores the existing problems in the development of rural inclusive finance in Beijing, and on this basis puts forward relevant countermeasures to create a new development pattern of rural inclusive finance.

Keywords: Key words: Beijing; The countryside; Inclusive finance;

1 Introduction

With the victory of China's battle against poverty, the rural revitalization strategy is advancing solidly, and the vast rural areas are actively promoting the development of inclusive finance in rural areas and vigorously developing the rural economy. ¹A series of effective measures and practices for the development of inclusive finance in rural areas have been actively implemented by major banks and local governments throughout the country. In recent years, Beijing, as the capital city, has comprehensively deepened the structural reform of the agricultural supply side, effectively improved the supply of rural infrastructure and public services, and vigorously improved the living standards of farmers, making great progress in the modernization of agriculture and rural areas. In particular, the development of rural inclusive finance has helped Beijing better carry out the work of "three farmers", but in the long run, the key construction and reform object of inclusive finance in Beijing is still in the countryside, and it is necessary to vigorously develop rural inclusive finance.

Beijing, as the capital, enjoys a superior geographical position and rapid economic development. Therefore, rural inclusive finance has also developed rapidly. More and more perfect financial services and financial services have been launched successively, and the level of service for "agriculture, rural areas and farmers" has been continuously improved. However, there are still some problems such as uneven financial distribution, incomplete financial services and imperfect credit system, which require further im-

provement of relevant policies and measures, greater reform efforts, and effective provision of personalized financial services and services. Providing important support for rural revitalization.

2 Theoretical analysis of inclusive finance

The concept of financial inclusion was put forward by the United Nations in 2005. It refers to the provision of appropriate and effective financial services at affordable cost to all social strata and groups in need of financial services, and the vulnerable groups such as small and micro enterprises, farmers and urban low-income people are the key service targets.²The rural inclusive finance is to narrow the scope of inclusive finance to vulnerable groups such as farmers and urban low-income people.³The rural financial demand has the characteristics of small amount, short cycle and dispersed demand, which makes the traditional rural financial services and inclusive financial needs do not match, and thus produces a variety of problems such as lagging industry development and slow increase of farmers' income level. Therefore, the development of rural inclusive finance through "inclusive + finance" can better serve the development of "agriculture, rural areas and farmers" and effectively solve the needs of rural micro-finance support.

Unlike the "big industries, big enterprises, and big customers" that commercial banks relied on in the past, rural inclusive finance faces this group, which often does not have too many financial assets, nor do they have very mature industry experience, and even just at the beginning and exploration stage of their careers. But this part of the group is mainly agricultural and rural producers and operators, but also includes some migrant workers, delivery boys, self-employed households, etc. They are the main body of the development of rural economy, and they have the same yearning for a better life as others. However, in the development of production and operation, they not only have no assets to support, but also lack the corresponding financial knowledge, and do not know how to safeguard their own rights and interests through financial means to strive for greater benefits. Therefore, the development of inclusive finance in rural areas can develop more high-quality financial products, and guide the coordination and linkage of banking institutions, insurance, guarantee and other parties, reduce the risks of the agricultural industry, alleviate the development problems of the agricultural industry, further reduce the capital cost of the agricultural industry, and promote the quality and efficiency of rural development.

3 Beijing rural inclusive finance development status

The report of the 20th National Congress of the CPC proposed to comprehensively promote rural revitalization, adhere to the priority of agricultural and rural development, adhere to the integration of urban and rural development, and smooth the flow of urban and rural factors.⁴This requires financial institutions to take the initiative to act, innovate product content, optimize service models, firmly implement the historical mission of upward progress, and comprehensively help rural revitalization with concrete

actions. In recent years, Beijing has continuously accelerated the construction of the rural inclusive financial service guarantee system, released the efficiency of financial services, fulfilled social responsibilities, and effectively enhanced the innovation ability of financial services for rural revitalization.

A rural inclusive financial system has been initially established. At present, Beijing Rural Commercial Bank, as the main force of financial institutions in Beijing's rural areas, has taken the lead in a series of measures to promote rural inclusive finance. As the first provincial joint-stock rural commercial bank approved by The State Council, basic financial services basically cover all townships in Beijing. Beijing Rural Commercial Bank's first "rural convenience store" was officially opened in Dashuiyu Village, Huaibei Town, Huairou District on July 6, 2010. In 2012, in order to cooperate with the construction project of "village access" of the Beijing Municipal Government, the service function of the existing "rural convenience store" was upgraded, and on February 25, the city's first "rural convenience store and rural basic financial service point" was launched in Beigou Village, Bohai Town, Huairou District. Leaders of Beijing Municipal Party Committee, municipal government and various regulatory departments attended the unveiling ceremony of the "Rural Basic Financial Service Point". By the end of October 2020, 1,258 rural convenience stores have been established in the city, covering 10 suburban districts and counties in Beijing. Bank of Beijing, Everbright Bank and other major joint-stock banks have also launched a variety of rural inclusive financial characteristics of agricultural loans.

The number of rural inclusive financial services continues to expand. The main demands of rural inclusive finance in Beijing mainly exist in rural households and leisure tourism households. As we all know, there are many famous scenic spots in Beijing, and the majority of farmers basically rely on the scenic spots to actively develop rural economic projects such as farmhouse and agricultural tourism. Different income levels have different demands for inclusive finance. For low-income farmers, the demand for inclusive finance is only to maintain daily livelihood. For middle and higher income farmers, their daily income can already maintain their daily needs, so the demand for inclusive finance is used to create more wealth. In response to these specific needs, financial institutions continue to expand the service objects and service content, develop effective financial products to meet the needs of farmers.

4 The problems in the development of rural inclusive finance in Beijing

On the whole, although rural commercial banks and various joint-stock banks inject fresh vitality into rural inclusive finance, there are still many problems, which make the development of rural inclusive finance slow.⁵

4.1 Lack of understanding of basic financial services, dare not rashly try

Rural people's lack of understanding of basic financial services inevitably leads to a kind of "financial exclusion". In particular, a large number of registered farmers still

exist in rural areas, not only do they have insufficient understanding of financial knowledge, but also do not know what basic financial services are, and because of the capital turnover problem, they dare not easily choose the right financial services. As a result, they still refuse to use financial services even when they can apply for the micro-profit credit of inclusive finance. This phenomenon is called financial exclusion. Financial exclusion is generally defined as a state in which certain groups in the financial system lack access to financial services. These groups, such as farmers, lack adequate access or means to financial institutions and do not have the ability to access the necessary financial services through appropriate means. Therefore, even when farmers in rural areas need a proper financial service, they miss the opportunity of reasonable use of financial services because they do not understand basic financial services and are unfamiliar with financial institutions.

4.2 The rural credit system is not perfect, and the guarantee form is single

Rural credit guarantee is an important link related to farmers' quality of life and rural economic development, and an important part of improving the quality of rural financial services. Only when the quality of rural financial services is fully improved, ⁶can rural revitalization be developed in a more comprehensive way.

First of all, there are imperfect credit system and simple credit structure in rural areas, resulting in slow reform and innovation of rural credit system. The vast majority of rural customers' demand for credit still exists in private lending and small and micro credit guarantee enterprises. These phenomena make it difficult for formal financial institutions to carry out normal financial business in rural areas. In addition, some drawbacks of the credit system also bring difficulties to farmers' loans. At the same time, due to the small amount of funds held by farmers, the existing financial guarantee institutions are not willing to provide loan guarantees for farmers in order to avoid risks, resulting in a high loan threshold for farmers.

Secondly, there are still some private loan guarantee institutions in rural areas, which have a large number of defects in their independence and operation process, chaotic internal control system, disorganized enterprise structure, and even lack of professional credit evaluators, resulting in the overall chaos of the credit market, and the problems before and after loans are complicated and difficult to solve, which virtually increases the credit risk.

Finally, the development of rural credit guarantee is a new development trend in rural areas in recent years, and the corresponding laws and regulations are not so perfect, and there are still some difficult problems to be solved. There is no independent laws and regulations to supervise and guarantee the smooth progress of the rural credit system, which also leads to the problems of weak supervision and insufficient guarantee of the rural credit guarantee system.

In the agricultural field of Beijing, financial institutions still mostly adopt the traditional credit methods of rural housing, rural contracted land ownership pledge loan, collective property ownership pledge industry, seedling mortgage loan, etc., to guarantee loans to farmers. However, as far as farmers are concerned, the fields of collateral can be selected are relatively narrow, and their property is mostly distributed in houses

and land assets, and there are few real properties that can be used as pledges. From the perspective of the whole city of Beijing, agricultural credit loans mainly include: "three rights" pledge loans, pledge loans for agricultural products, pledge loans for freshwater farming rights, guarantee loans for agricultural industry associations, guarantee loans for farmers' professional cooperatives, guarantee loans for leading enterprises in agricultural products, etc.

4.3 The supply of micro-finance is seriously insufficient, and the demand is not strong

Microfinance is globally recognized as the most effective method of credit poverty reduction. Facts have also proved that Beijing's exploration of the supply of agricultural small loans can promote the rationalization of rural demand in terms of supply, provide an effective guarantee for farmers to carry out diversified management, and then drive farmers to increase their income and promote the overall development of urban and rural areas⁷. However, financial institutions are unable to provide adequate and timely supply of microfinance for farmers because of their unclear demand for microfinance market.

5 Strategies for creating a new pattern of rural inclusive financial development

5.1 Strengthen the publicity of basic financial services and popularize financial knowledge

To enhance the publicity of inclusive finance in rural areas, set up rural comprehensive financial service supply points in rural areas, and promote basic financial supply services, so as to meet the needs of basic financial services in rural areas, which is a process that requires self-learning and self-progress of rural rural customers.

Vigorously promote the "rural convenience store" model. "Rural convenience store" provides convenient basic financial services for villagers through self-service and manual counseling, which is a new rural financial service model with a wide range of services. "Rural convenience store" is equipped with multi-functional self-service terminals, money counting machines and other equipment to solve the basic financial services in rural and remote areas. The multi-functional automatic terminal equipment, money counting machine and other devices installed in the "rural convenience store" can solve more than 80% of the basic financial needs of users in rural and remote areas, so that farmers in remote villages can solve the basic financial problems of funds and subsidies nearby, and reduce the practical problems such as long distance and lack of understanding between financial institutions. In view of the characteristics of large age structure and low cultural level of rural customers, "rural convenience stores" should mainly hire young village cadres as the leaders of convenience stores, carry out one-to-one guidance for farmers with certain financial needs, and actively promote the services

that rural convenience stores can provide. At the same time, in order to meet the majority of farmers have maintained the habit of using the passbook, to ensure that the multifunctional automatic terminal can use the passbook login, carry out various financial services, and better solve the basic financial service needs of rural users.

5.2 Improve the rural credit system and promote the diversification of guarantee forms

Improve the credit management mechanism. First, it is necessary to improve rural customers' understanding of the credit system and vigorously improve rural customers' awareness of integrity, so as to better realize the connection between financial institutions and rural customers, ensure the excellent and good rate of rural credit, and promote mutual trust between financial institutions and rural customers. The second is to innovate the loan process, simplify the loan approval procedures, improve the approval speed and efficiency, and make the approval procedures efficient and simple. The third is to increase the support for the rural financial service system, increase the supervision of financial institutions, and gradually improve the credit management mechanism.

Improve the system of laws and regulations. The relevant departments of the state shall formulate laws and regulations to adapt to the development of agriculture and rural areas in a timely manner, so that the rural credit guarantee system can be relied on and reliable by law. Establish and improve the legal system of rural credit guarantee, and set up the corresponding rural credit guarantee supervision and guarantee department to ensure that the rural credit guarantee system is actively promoted and smoothly developed under reasonable and legal legal constraints.

Improve the overall credit investigation service. Actively play the role of credit investigation in promoting the development of credit and credit business, and continue to carry out credit investigation services. Support the innovation of inclusive financial products and services. According to the characteristics of different agricultural management subjects, it can innovate its own unique credit collateral. ³Under reasonable and legal circumstances, we should actively expand the forms of guarantee for rural farmers, promote the diversification and innovative development of guarantee forms, and make bold attempts on all kinds of movable property and real estate in rural guarantee.

5.3 Increase the supply of small finance and expand the supply of small finance

We will continue to expand the coverage of inclusive financial services in rural areas. We will guide financial funds to flow into rural inclusive finance, expand financing channels for small and micro enterprises and farmers in rural areas, and strengthen financial services for industrial revitalization. At present, Beijing Rural Commercial Bank has successively launched small financial supply businesses such as rural revitalization characteristic agricultural loans, targeted poverty alleviation, and inclusive finance small and micro fast loans, which has vigorously guaranteed the supply and demand of farmers' individual operations and rural small and micro enterprise loans.

We will strengthen scientific and technological empowerment. We will explore the use of technology to strengthen financial supervision and improve service efficiency. At the end of the month, the end of the quarter, the end of the year, according to the relevant data obtained by the relevant basic financial service institutions such as "rural convenience stores", reasonable modeling can be used to calculate the trend and distribution of financial demand for the next month, the next quarter, or even the next year. In this way, financial institutions can be promoted to provide more reasonable and efficient financial supply and financial services for rural areas.

Encourage financial institutions to optimize their services. It is necessary to create a good small supply business according to local policy advantages, product advantages and development conditions. At the same time, summarize experience in a timely manner, actively explore the growth ways of inclusive financial institutions, strengthen the research on inclusive financial institutions and the index system, ¹and use the research results to promote the growth of inclusive finance in rural Beijing in a more targeted manner.

6 Conclusions

The development of rural financial services is inseparable from the support of the Party and the government. Vigorously developing rural inclusive financial services, especially allowing rural people to enjoy suitable financial products and financial services, is of great significance for boosting the development of rural real economy, improving the rural economic pattern, optimizing resource allocation, and promoting rural income increase. Therefore, in the development of rural inclusive finance, we must adhere to the correct direction of rural financial reform and development, improve the financial system suitable for the characteristics of agriculture and rural areas, promote rural financial institutions to return to their roots, ⁸allocate more resources to the key areas and weak links of rural economic and social development, create a new development pattern of rural inclusive finance, and help rural revitalization.

Reference

1. Ma J Q. Research on the digital development of Rural inclusive finance under the background of rural revitalization [J]. Shanxi Agricultural Economy,2022(09):190-192.
2. Jiang Tian. Research on the development of inclusive finance in Henan Province. Shanxi Agricultural Economics,2022(17):189-192.]
3. Li Wenqi, Wang Lili. Research on the development of rural inclusive finance in Henan Province [J]. Rural Economics and Science and Technology,2018,29(15):109-111. (in Chinese)
4. Na Z, Fengge Y. Innovative Mechanism of Rural Finance: Risk Assessment Methods and Impact Factors of Agricultural Loans Based on Personal Emotion and Artificial Intelligence[J]. Journal of Environmental and Public Health,2022,2022.
5. Thinking on the development of agricultural inclusive finance under the background of rural revitalization. New Agriculture,2022(01):65-67.]

6. Meng Defeng, Zhang Hailun, Xu Wangzhi, Chen Qinqin. Survey on the promotion of rural entrepreneurship by digital inclusive finance under the background of rural revitalization [J]. *Modern Finance*,2022(02):47-51.
7. Tang Shuangyue, Cheng Shujia. An empirical analysis of the impact of digital inclusive finance development on farmers' income: A case study of Jilin Province [J]. *Journal of Changchun Finance College*,2022(02):61-65+71.
8. Cui Huimin, Wang Zhihao. Impact mechanism and spatial effect of Digital inclusive Finance in promoting rural revitalization [J]. *Journal of Fertilizer Industry University (Social Sciences Edition)*,2022,36(03):1-11.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

