

Development Path from the Perspective of Green Finance Supporting Rural Revitalization Construction: Take Regions with Different Development Degrees in China as an Example

1.Lanlan Wang, Shanghai Lixin Institute of Accounting and Finance, Shanghai 201600, China.

2.Chang Feng, Shanghai Lixin Institute of Accounting and Finance, Shanghai 201600, China.

3.Xinyue Wang, Guangdong University of Foreign Studies, Guang Zhou 510420, China.

4.Yikun Zhao, Xi 'an Zhongtie Middle School, Xi'an 710000, China.

Abstract: This paper uses empirical research, literature analysis and comparative analysis to explore how to play the role of financial services in serving the real economy in the process of rural revitalization construction under the background of high-quality development pattern of domestic economy. With the strength of the government's macro-control, market innovation and social participation, green finance has unique advantages to realizing the prosperity of rural industries, environmental improvement and sustainable development of farmers. However, after investigation, we found that there is still a large development space in the current green finance system in: information and capital flow, publicity and education, policy system construction, talent training and other aspects. The purpose and significance of this paper is to explore the development outlet so as to more effectively play the service role of green finance in the process of rural revitalization construction.

Keywords: Green Finance; Rural Revitalization Issues and Development Path

1. Introduction

In response to the global climate and ecological crisis, China in line with the power bear consciousness, to achieve in the United Nations climate conference "strive to achieve carbon peak in 2030, 2060 years ago, carbon neutral" solemn commitment, at present, we are with national power to promote green financial credit expansion, information disclosure, a sound evaluation mechanism. In the foreseeable future, green finance will be very powerful to help the high-quality development of China's economy and society.

Rural revitalization, as a self-benign accumulation of sustainable development mode. The power of green finance can promote the flow of capital to green industries, help build a harmonious industrial and living ecology, and make farmers have the ability to create wealth sustainably. However, green financial support rural revitalization in the construction of information transmission, flow curing, regional differences, upper mechanism is not sound, this paper based on the theoretical basis, with different degree of development of the urban and rural areas fieldwork data as support, to explore the future green financial support rural revitalization of feasible development path. It provides some reference for improving the theoretical research and policy structure of green finance in supporting rural revitalization.

2. Green finance to support rural construction policy transmission mechanism

Since the 19th CPC National Congress, the reform of the financial service system has never stopped in order to improve the capacity and level of financial services for rural revitalization. On the basis of existing policies, there is a lot of room for green finance to support rural revitalization. In February 2018, the Agricultural Bank of China put forward the strategy of

using financial instruments to help green agricultural development and the strategy of "quality agriculture" and "green agriculture" in the "Opinions on" Comprehensively Improving Financial Services for Rural Revitalization ".In 2020, the No.1 document of the Central Government made further arrangements for rural revitalization, highlighting the expansion of the pilot reform of rural inclusive finance, introducing more mortgage-free and guaranteed-free inclusive financial products, and expanding the supply of financial services for agricultural and rural construction.In addition, under the current situation at home and abroad, the transformation and upgrading of rural industries is imperative.Green finance supports rural revitalization construction and guides funds to rural areas, which is also an inevitable requirement for rural areas to break through the development dilemma and achieve green development.

2.1 Government guarantees to promote market innovation

Under the background of China's socialist market economy system, "government guidance, market innovation and social participation" is the feasible development strategy of the current green finance market. In view of the problems in agricultural green industry: small scale, high risk, long investment cycle, uncertain income and insufficient guarantee, it is doomed to be difficult to effectively connect supply and demand resources only by market regulation.Through the issuance of relevant policy guidelines, the government will build or improve the financial risk control mechanism, innovate the financial supervision model, and play a leading role in the construction process.

2.2 Industrial prosperity, environmental improvement, farmers get rich in the whole field role

Under the strategy of agricultural industrialization and modernization, green finance can not only play the role of diverting financial funds and expanding the capital sources of the real economy, but also pay more attention to the green development of agriculture. In the development of green aquaculture, rural tourism and leisure agriculture, it can pay attention to pollution and reduce resource waste.

The ecological label in the financing field will force the rural market to give up the traditional industries with high pollution and high energy consumption, making the concept of "five-in-one" and "clear water and green mountains are gold and silver mountains" become a reality in the ecological picture of the rural land.

Green finance is a concept of sustainable development that integrates ecology and economy in parallel. Promoting its popularization in rural areas is helpful to improve farmers' awareness of ecological and environmental protection and cultivate a long-term view of prosperity.

3. The current situation and problems of green finance supporting the construction of rural revitalization

Survey data:

Our survey involved 521 people representing urban and rural areas in the Yangtze River Delta, southwest China, Northeast China and central China, with a wide range of educational quality.

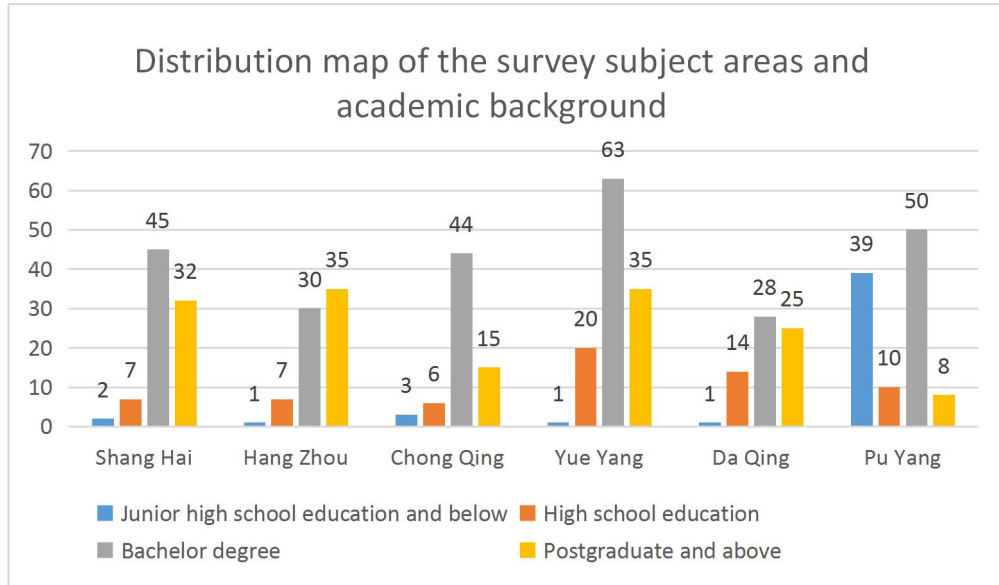


Figure 1 Distribution map of the survey subject areas and academic background

3.1 There are barriers to information transmission

According to the analysis of the understanding of green finance in the survey sample, the people with a certain understanding of green finance only accounted for 12.86% of the survey sample. In addition, 15.55% are completely unknown about this concept, while the remaining 71.59% of the people are in a vague area of this concept.

cognition	ratio
Never heard	15.55%
Misunderstand	36.47%
General understanding	35.12%
Understand	12.86%

Table 1. Analysis of the understanding of green finance

Table 1 shows that even in banks and other financial institutions, 46.73% are not clear about the concept of green finance and its implementation purpose; in the relevant government departments of finance and taxation, 53.34%, while 4% only know green finance.

The low input degree of green finance knowledge by policy objects and professionals related to green finance just reflects the relatively single coordination mechanism and information transmission in the implementation process of supporting rural revitalization construction.

	Never heard	Misunderstand	General understand	Understand
Farmer	36%	30%	30%	4%
Financial Institution	10.28%	36.45%	29.91%	23.36%
Related Government Sector	2.86%	50.48%	32.38%	14.29%
Unrelated Govrment Sector	0%	37.50%	50%	12.50%
Enterprises&Institutions	21.13%	26.76%	36.62%	15.49%
Others	20.73%	33.54%	39.02%	6.71%

Table 2. Distribution chart of the awareness of green finance by different units

At present, the structure of urban-rural dual opposition is gradually shrinking, the urbanization mode in most rural areas is constantly improving, and the society has entered the transition period from rural to town. Through the correlation analysis of the variables shown in the figure below, the correlation coefficient between the degree of economic development and people's cognition of the concept of green finance is as high as 0.950, that is, with the continuous economic development and the continuous improvement of the economic level, people's cognition of green finance will be deepened and their understanding will be more thorough.

Correlation Matrix

Correlation Matrix

		A	B
A	Pearson's r	—	
	p-value	—	
B	Pearson's r	0.950 ^{**}	—
	p-value	0.004	—

Note. * $p < .05$, ** $p < .01$, *** $p < .001$

Figure 2. Correlation between the level of economic development and the awareness of green finance

3.2 The flow of green finance is relatively solidified

As can be seen from Figure 3, at present, the projects related to rural construction and agricultural development supported by green finance account for 66.27%, while industrialization construction only accounts for 16.71%.

Although such a situation is in line with the people's impression of rural areas, the single agriculture and rural construction have long since met the social needs and people's demands in the new era. It must be combined with industrial development and rural characteristics, and take the road of combining the development of industrial development and the all-round rural revitalization. Therefore, the lack of industry-oriented capital flow and development direction leads to the lack of reserve of relevant knowledge.

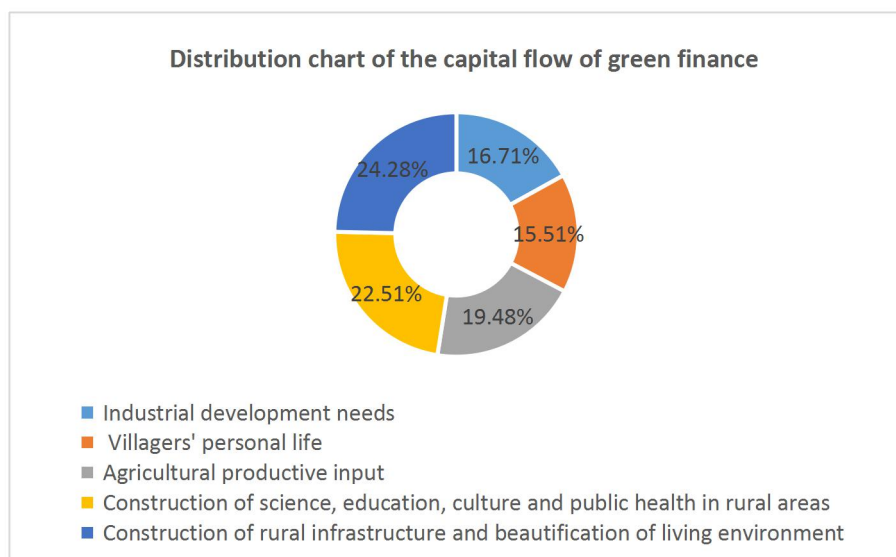


Figure 3. Distribution chart of the capital flow of green finance

3.3 The subject consciousness needs to be stimulated

According to the questionnaire survey, the older generation of farmers' cognition of financial institutions is mostly limited to the agricultural and postal savings banks or rural credit cooperatives around their residences. Although most of them have the awareness of understanding national policies, they should seek stability psychologically. Compared with trying new content, they are more willing to obtain a stable income on the existing basis. On the other hand, although younger groups generally have better knowledge of new types of finance, they have weak awareness relying on national policies and are not strong willingness to innovate in agriculture.

3.4 The government guarantee mechanism is not sound

In our survey, most people believe that financial institutions can play a role in promoting social construction, while only 41.65% believe that financial institutions should take into account their own development needs in promoting rural revitalization and obtain capital for their own development.

However, under the background that the market determines the flow and allocation of resources, in order to maintain their own normal operation and maintain their own steady profits, financial institutions pay more attention to their own benefits at the benefit level, so as to maintain their own economic benefits at a reasonable level. As an underdeveloped area, the rural areas' imperfect industrial facilities and lack of characteristic industrial support make it unable to attract the investment of many financial institutions. Otherwise, the funds are willing to flow to the developed areas. The imbalance of urban and rural imbalance is widespread.

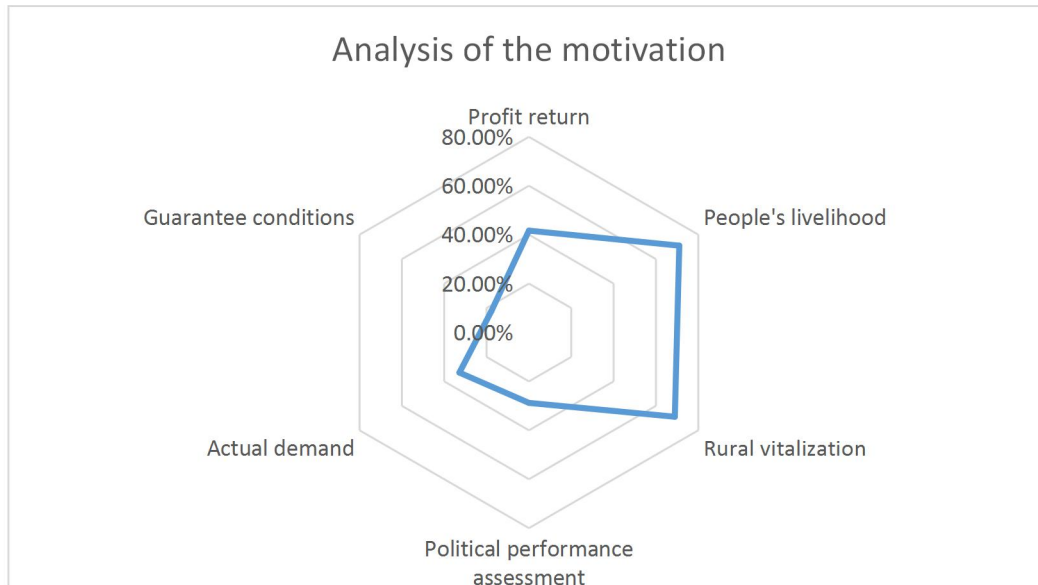


Figure 4. Analysis of the motivation of financial institutions to support rural revitalization construction

It can be seen that the development of financial institutions in rural areas will face the dilemma of contradictory people's expectations with their own development, resulting in the investment of financial institutions in rural areas remaining at a lower level than in cities.

3.5 The talent training mechanism needs to be improved

At present, the development and transformation of green finance in China are in the rise, and the talent training mechanism is affecting the further deep development of green finance in China. How to seize and use this opportunity has become an important issue for the development of green finance in China.

Table 2. Problems in the view of the practitioners of financial institutions

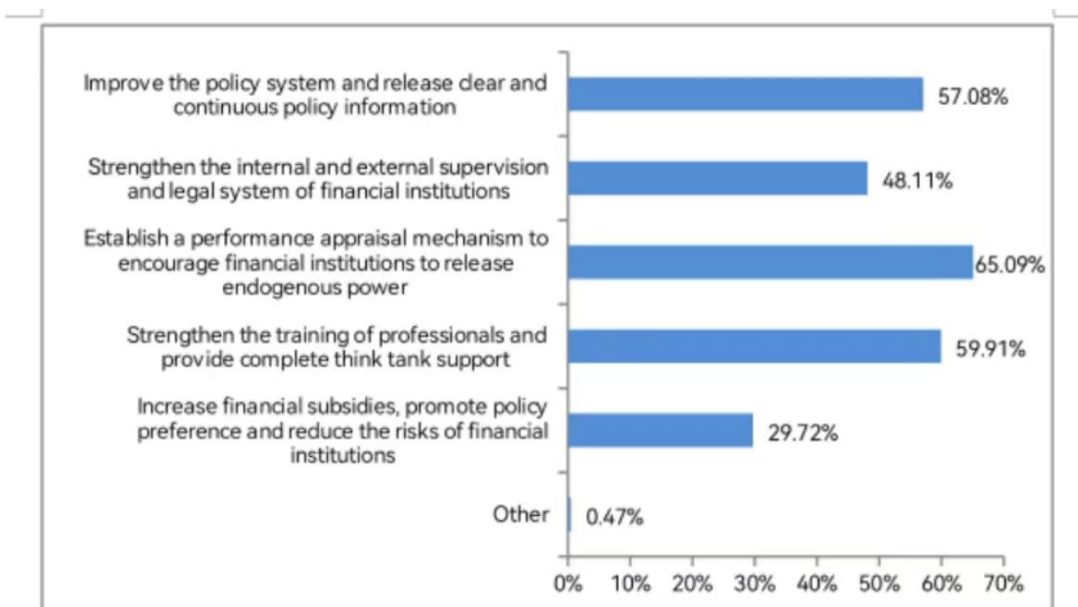
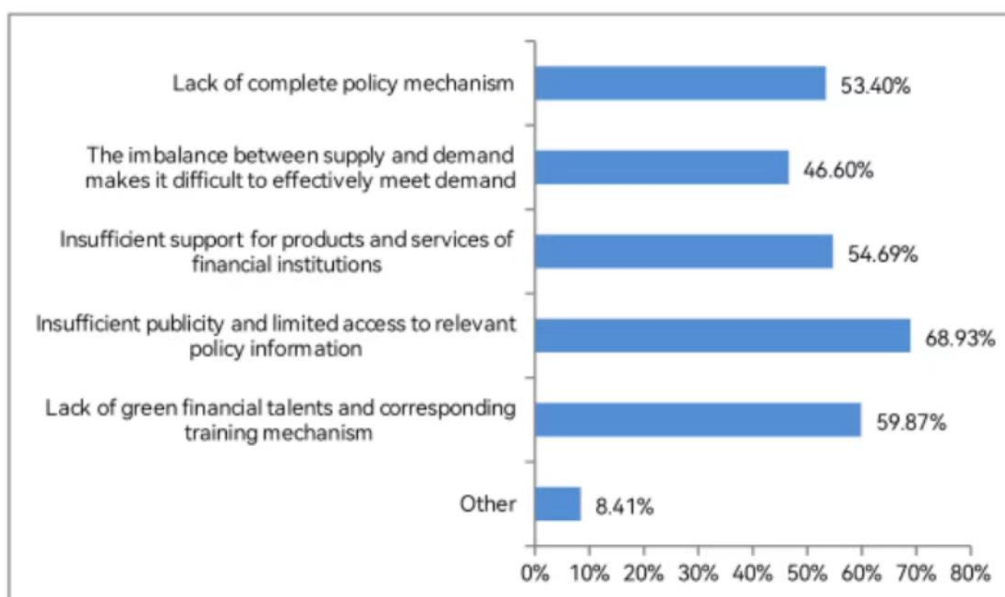


Table 3. Problems with the current situation considered by practitioners of non-financial institutions



As shown in Table 2, respondents related to financial work believe that China still needs to train professionals, accounting for 59.91%; whereas 59.87% of non-financial work believe that green finance development lacks corresponding talents and training mechanism.

At present, the comprehensive talent training mechanism does not meet the needs of green finance development. In the talent training of financial institutions, the comprehensive development of talents is emphasized, hoping to get universal talents who can adapt to various positions of financial institutions, and go further and further on the road of cultivating comprehensive talents. However, with the deepening of China's economic development, the financial field has been divided into different directions, and more talents are needed in the specialized subdivided fields.

4. Improve the mechanism

4.1 Improve the publicity system and release clear and continuous policy information

In order to further promote the implementation of policies, regulations related to green finance and try to solve practical obstacles such as externalities, maturity mismatch, information asymmetry and lack of green definition, it is necessary to release clear and continuous policy information. In this regard, there are three suggestions: first, build a domestic green financial information sharing platform, improve the communication mechanism and communication channels, promote information sinking, second, improve the coordination of various internal government departments, unified planning and unified deployment. Under the unified planning of the Rural Revitalization Bureau, promote financial institutions, information departments and other relevant departments to cooperate. Third, attach importance to interactive experience to spread information, and avoid single information output. For example, in order to further popularize the knowledge of green finance, we can explore the industry benchmark in financial institutions or financial enterprises, and promote the whole society to learn from them, so that the green finance policies and knowledge can spread to the whole society.

4.2 Expand financial support channels and permeate the concept of green development

Based on the current urbanization process, green finance supports rural revitalization construction, which not only needs to invest more in new agriculture, information technology, infrastructure construction and other fields, but also needs to make farmers more truly feel the dividends of green finance policies. In this regard, there are several feasible ways: first, increase the purchase subsidy for green products, and reduce the value-added tax

4.3 Establish a performance appraisal mechanism to encourage financial institutions to release their momentum

To solve the imbalance between supply and demand of green finance to support rural revitalization, the core is to stimulate the supply momentum of financial institutions. This depends on the participation of state forces to assess the indicators to promote resource subsidence.

Promote the financial institutions in the benign development of green financial products, promote enterprises and various financial institutions put forward effective and reasonable performance appraisal mechanism, through the effective analysis of every financial products and services feedback, to reasonable business level of each financial products and services, promote innovative competition, so as to provide sustainable innovation and new kinetic energy.

4.4 Cultivate green finance talents and establish a mechanism for training talents

Improving the talent training mechanism of green finance can inject fresh water into the current green finance to support for rural revitalization and development. Given the complex situation, this requires joint efforts from many parties.

In the government, strengthen the talent introduction mechanism and pay attention to the introduction and training; besides, it is necessary to integrate the system and deepen green development. Physical enterprises should improve the level of financial knowledge reserve of full-time personnel, improve their green financial literacy, so as to respond to the national green development strategy of rural revitalization. Financial institutions, expand the construction of full-time departments.

4.5 Establish a complete top-level design

As an emerging financial model, green finance is supporting rural revitalization and is in the primary stage of development and must be separated from the policy barrier. Based on the essence of market economy, to flow into weak links, only the government participation and mobilizing the main consciousness of enterprises can achieve long-term development.

The government should increase financial input, make efforts from the policy end, escort the development of institutions, and attract more social capital into the green finance industry. Financial tool innovation on the green strategy orientation, play a green financial strategy of financial resources into the guidance of social resource allocation, realize the green financial development and financial institutions parallel promote rural revitalization construction, drive green enterprises for rural revitalization construction, complement the financial institutions to promote the development of rural revitalization, the green financial policy to all aspects of the revitalization of rural construction.

Conclusion

Under the dual promotion of international trends and domestic policies, the recyclable development of green finance industry is gradually entering a good trend. At the present stage and under the background of strengthening poverty alleviation and rural revitalization in China, green finance is bound to become a powerful booster to support rural development. To solve the current development problems and realize the five-sphere coordinated development of rural areas, the green finance industry is bursting with vigorous energy. Exploring the development path from the perspective of green finance supporting rural revitalization construction involves various theories, methods and technologies. There are still many new problems to be solved in the future implementation, which need to be continuously accumulated and improved in practical application.

References

- [1] Ying, XC., Research on the Financial Support System for Rural Revitalization Construction [J]. Knowledge Economy, 2018.
- [2] Wang, B., Zheng, LS., Research on the Mechanism and Path of Green Finance in Supporting Rural Revitalization [J]. Technology, Economy and Management Research, 2019.
- [3] Yao, JC., He, WH., Wang, YF., Yang, YL., Research on the Target Positioning, Logic and Mode of Rural Revitalization Construction from the Perspective of Green Finance [J]. Western Finance, 2017.
- [4] Chen, HF., Zhang, JM., Lin, YL., Li, JP., Huang, ZR., Chen, R., Qiu, GX.,——— takes Jile County of Fujian Province as an example [J]. Fujian Finance, 2017.
- [5] Su, LT., Green rural construction urgently needs green financial support [N]. China Cooperation Times, 2018-10-26 (B03 edition).
- [6] Zhang, L., Zhan, ZL., Promote the rural revitalization construction in the new era with high quality [J]. Only real. 2020 (12) : 64-67.
- [7] He, Q., The Origin, Development, and Global Practice of Green Finance [J]. Journal of Southwest University (Social Sciences edition), 2021, 47 (1): 83-94. DOI: 10.13718/j.cnki.xdsk.2021.01.008.
- [8] Wang, B., Zheng, LS., Research on the Mechanism and Path of Green Finance in Supporting Rural Revitalization [J]. Technical Economics and Management Research, 2019 (11): 84-88. DOI:10.3969/j.issn.1004-292X.2019.11.014.
- [9] Yang, L., Zou, J., The internal mechanism and logical framework of green finance to boost rural revitalization [J]. Southwestern Financial, 2019 (5): 39-47.
- [10] Wang, SC., Xu, XF., Promoting green finance to help rural revitalization [J]. People's Forum, 2020 (8): 106-107. DOI:10.3969/j.issn.1004-3381.2020.08.033.
- [11] Shang, XW., Research on green Shared Financial Legal System under the threshold of Rural Revitalization [J]. Henan Social Sciences, 2021, 29 (2): 37-44. DOI:10.3969/j.issn.1007-905X.2021.02.006.