

Chapter 3

Policy Implementation at the Local Government Level

- (1) Lishui City, Zhejiang Province: Pilot Reform Zone for Inclusive Finance Supporting Rural Revitalization
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Policy Implementation at the Local Government Level

Since 2015, China has launched pilot reforms in inclusive finance across 12 localities in 8 provinces. Leveraging their respective local endowments, these pilot regions have actively pursued reform and innovation, explored effective solutions, and contributed valuable experience to addressing common challenges in the development of inclusive finance. For example, to resolve the issue of insufficient

credit information among underserved groups, pilot areas such as Ningbo, Taizhou, and Lishui in Zhejiang Province, as well as Tongchuan in Shaanxi Province, have established credit information sharing platforms. To address the lack of collateral faced by inclusive finance beneficiaries, cities such as Ningde in Fujian Province have promoted the circulation and revitalization of rural production factors.

Table 1 Inclusive Finance Reform Pilots in 12 Localities across 8 provinces (Selected since 2015)¹⁰

No.	Reform Pilot	Main Content
1	Inclusive Finance in Tongchuan, Shaanxi, Supporting Rural Revitalization	<p>Information platform: The upgraded satellite remote sensing credit system "Da Shan Que" is prioritized for deployment in Yijun County, providing trusted and traceable data sources to support credit approval for farmers.</p> <p>Green inclusive finance: The launch of transition loan products embedded with transformation commitments is facilitated, with a cumulative loan issuance of RMB 1.976 billion to enterprise projects along the characteristic aluminium industry chain.</p>
2	Inclusive Finance in Chengdu, Sichuan, Supporting Rural Revitalization	<p>Risk prevention and control: The "Tianfu Financial Risk Monitoring Brain" is developed, bringing nearly 300 local financial organizations under regulatory oversight and enabling risk monitoring and early warning for over 2 million enterprises.</p> <p>Green inclusive finance: The dual-labeled "Rural Revitalization + Carbon Neutrality" accounts receivable debt financing plans and carbon neutrality bonds are issued to support financial institutions in exploring the "reserve forest + carbon sink" model, where forest carbon sink revenues are pledged for credit.</p>
3	Inclusive Finance in Linyi, Shandong, Supporting Rural Revitalization	<p>Information platform: The "Xiang Zhen Xing" platform has collected information on 59,500 new agricultural business entities, gathered nearly 1.3 billion data entries, provided 11,000 credit reports to financial institutions, and facilitated 48,000 loans totalling RMB 37.98 billion.</p> <p>Product innovation: A "Virtue + Points + Finance" service model is established, where virtuous behaviour is scored. Banks offer differentiated credit based on point levels, enabling beneficiaries to enjoy preferential interest rate loans.</p>
4	Pilot inclusive finance reform zone in Ningbo, Zhejiang	<p>Information platform: A credit information service platform is built to integrate data across national, provincial, municipal, and county levels. As of the end of September 2023, it had collected over 2 billion data entries and supported 37,800 enterprises in obtaining RMB 216.661 billion in online loans.</p>

10. The table collation is mainly referenced from: Research Group of the Research Bureau of the People's Bank of China, Zhou Xuedong. "Theory and Exploration of Pilot Inclusive Finance Reform Zone Construction" [J]. China Finance, 2023, (21): 16-18

No.	Reform Pilot	Main Content
5	Inclusive Finance in Tongchuan, Shaanxi, Supporting Rural Revitalization	<p>Asset activation: Local pilot programs are launched for trademark pledge financing, and a dedicated data line is established between the Trademark Office (TM office) of the China National Intellectual Property Administration (CNIPA) and the Taizhou acceptance office. Taizhou's trademark pledge financing registrations account for approximately one-third of the national total.</p> <p>Information platform: Over 470 million credit information records covering more than 890,000 market entities are provided to banks for free. This has reduced the average pre-loan investigation cost from approximately 20 hours and RMB 400 per household to zero.</p> <p>Credit guarantee: The Chinese mainland's first credit guarantee fund for small and micro enterprises adopted a "20/80 risk-sharing model," which has since been promoted nationwide.</p>
6	Inclusive Finance in Lishui, Zhejiang, Supporting Rural Revitalization	<p>Asset activation: "Ecological Mortgage and Pledge Loan" products such as forest right mortgage loans, public welfare forest compensation income pledge loans, and forest land easement income pledge loans.</p> <p>Information platform: "Two Small" (Mini-Supermarket and Mini-Hotel) Entrepreneurship Platform</p>
7	Pilot inclusive finance reform zone in Ningde, Fujian	<p>Asset activation: A factor circulation and financing service platform is established to create a closed-loop mechanism for rural production elements through "ownership confirmation and registration-value assessment-mortgage financing-disposal and circulation", to activate assets such as tea gardens and fish rafts.</p> <p>Product innovation: 270 types of credit products are launched, including fish raft aquaculture loans and tea garden contract loans, with a cumulative total of 148,800 loans amounting to RMB 17.269 billion.</p>

(1) Lishui City, Zhejiang Province: Pilot Reform Zone for Inclusive Finance Supporting Rural Revitalization¹¹

Since 2006, Lishui City has embarked on a long-term exploration of regional rural financial reform. Led by the municipal government and coordinated by the Lishui Branch of the People's Bank of China, the city has closely integrated its ecological resource advantages with national strategies such as the development of the rural credit system and the establishment of convenient financial service outlets. It has vigorously advanced the “Three Major Rural Financial Projects”: credit support for agriculture (agricultural loans), credit incentives for rural households (favorable rural credits), and payment convenience for farmers (expanded rural payment access). These innovative initiatives have led to breakthroughs in key areas of rural finance, setting excellent examples nationwide in financial product innovation, such as forest rights mortgage loans, and infrastructure development, including the construction of rural credit information systems. In 2012, Lishui was approved as a pilot zone for rural financial reform. Under the “joint bank–province construction” model, the city has continuously deepened reform and innovation, developed eight major systems, and improved the supporting infrastructure for inclusive financial services. This has

significantly enhanced both the scale and efficiency of services, laying a solid foundation for systemic innovation in rural financial reform. During this process, based on actual local needs, Lishui took a forward-looking approach in launching services such as green inclusive finance and digital inclusive finance, taking an early lead in exploring the path of integrated development.

After the conclusion of the pilot rural financial reform, Lishui City was approved in September 2022 to establish a national-level “Pilot Reform Zone for Inclusive Finance Supporting Rural Revitalization.” Seven ministries and commissions, including the People's Bank of China, jointly issued the *Overall Plan for the Pilot Reform Zone of Inclusive Finance Supporting Rural Revitalization in Lishui City, Zhejiang Province*, putting forward the overall objectives of inclusive financial reform: “To strive, within approximately five years, to establish a multi-tiered, broad-coverage, sustainable and risk-controllable inclusive financial system to serve rural revitalization, to explore replicable and scalable models of financial services for rural revitalization; and to build a national pioneer and demonstration

11. This case is comprehensively compiled from: China Academy of Financial Inclusion (CAFI) at Renmin University of China, *2023 Annual Evaluation Report on the Pilot Reform Zone of Inclusive Finance Supporting Rural Revitalization in Lishui City* (September 2024) and *2024 Annual Evaluation Report on the Pilot Reform Zone of Inclusive Finance Supporting Rural Revitalization in Lishui City* (April 2025).

zone for inclusive finance reform in support of rural revitalization." Meanwhile, the Plan outlines five key focus areas and twenty specific tasks aimed at building “an inclusive financial system” tailored to rural revitalization in Lishui. Based on this framework and taking into account local realities, Lishui City has formulated the

"Ten Landmark Reform Tasks and Division of Responsibilities Plan," which designates the responsible departments for each task. These ten landmark tasks reflect Lishui's distinctive approach to reform, further reinforcing the city's unique role in the advancement of inclusive finance and contributing to notable achievements.

Table 2: "Ten Landmark Tasks" of Inclusive Financial Reform in Lishui

Field	Ten Landmark Tasks
Key field: Rural revitalization and common prosperity for all	1. The system of common prosperity among government, banks and insurance companies
	2. Credit enhancement plan for new farmers
Key field: Green development	3. Ecological product mortgage and pledge standards
	4. Ecological credit loan
	5. Zhejiang Lishui Forestry Carbon Sink Loan
Diversified business forms, infrastructure, and organizational guarantees	6. Li Xiang Dan
	7. "Two Small" (Mini-Supermarket and Mini-Hotel) Entrepreneurship Platform in Lishui
	8. Overseas Chinese remittance settlement facilitation service
	9. Standardized rural financial service stations for rural revitalization
	10. High-quality development assessment system
Key field: Rural revitalization and common prosperity for all	1. The system of common prosperity among government, banks and insurance companies
	2. Credit enhancement plan for new farmers
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	4. Ecological credit loan
	5. Zhejiang Lishui Forestry Carbon Sink Loan
Diversified business forms, infrastructure, and organizational guarantees	6. Li Xiang Dan
	7. "Two Small" (Mini-Supermarket and Mini-Hotel) Entrepreneurship Platform in Lishui
	8. Overseas Chinese remittance settlement facilitation service
	9. Standardized rural financial service stations for rural revitalization
	10. High-quality development assessment system

In terms of ecological environment innovation, Lishui City has developed and launched the Zhejiang (Lishui) Ecological Product Trading Platform, established the "Liangshan Cooperative" to acquire and develop ecological products, and innovatively introduced the "Ecological Mortgage and Pledge Loan" product that uses ecological assets as mortgage and pledge. These measures have successfully achieved the transformation of "ecological products" into "ecological capital". In addition, Lishui has established an ecological credit rating mechanism, shared the rating information on the "Lishui Credit Information Service Platform", and integrated it into the "ecological credit loan". Entities with higher credit ratings are granted preferential loan policies, achieving an innovative breakthrough in transforming ecological credit scores into tangible financial value. Meanwhile, Lishui has also innovatively launched the "Zhejiang Lishui Forestry Carbon Sink Loan" using the future income rights of forestry carbon sinks as collateral, initially forming a full-chain financing mechanism for forestry carbon sink development, trading, and mortgage, and turning carbon sink value into accessible financing.

In terms of regional characteristic development, focusing on the "sweet potato economy", Lishui has established the "Two Small" (Mini-Supermarket and Mini-Hotel)

Entrepreneurship Platform in Lishui. The city has also introduced supporting fiscal rewards, subsidies, discounted interest, and other incentive policies, providing financial services such as tailored merchant acquiring services and online financing services. In addition, Lishui has carried out information collection for new agricultural business entities across the city. By developing a special module on the Lishui Credit Information Service Platform, the city has achieved electronic file establishment and shared inquiries, providing credit enhancement support for leading agricultural industries within its jurisdiction. This has innovatively upgraded the new agricultural business entity module of the Lishui Credit Information Service Platform. Focusing on the overseas Chinese economy, Lishui City has fully leveraged the opportunity of Qingtian County being approved as a national pilot zone for the facilitation of individual overseas Chinese remittance settlement. By building the "Digital and Intelligent Overseas Chinese Affairs-Overseas Chinese Remittance Settlement" service platform on Zhe Li Ban, the city has achieved information sharing and online processing of overseas Chinese remittance settlement businesses, innovatively advancing the construction of a digital service platform for the facilitation of individual overseas Chinese remittance settlement.

In terms of urban-rural integration, Lishui City has taken a series of robust measures. First, focusing on strengthening villages and enriching people, the city has introduced customized financial products, a financial instructor mechanism, and a subsidized loan mechanism. It has innovated a health insurance scheme for low-income rural households with "zero" premium burden, full coverage, and one-stop settlement, providing integrated health security. Through the "government-bank-insurance cooperation" model, financial support is offered for the production and operation of low-income rural households and villages with weak collective economies. Second, focusing on city-county integration, the city has upgraded its government financing guarantee service mechanism and taken the lead in completing the integration reform of government financing guarantee

institutions across the province. Third, targeting the "last mile" of rural financial services, the city has been vigorously promoting the high-standard development of rural financial service stations.

Since 2023, Lishui has introduced a series of policy documents and related standards, adopting multiple reform and innovation measures through efforts such as "promoting integration, building an ecological system, and strengthening foundations", which have gained wide recognition for their remarkable results. Several of Lishui's financial reform initiatives and its digital financial platforms have won national awards. Meanwhile, the city has been designated as a demonstration zone for inclusive finance development supported by the Central Government. These developments have marked key progress toward the city's overall reform goals and contributed to its high-quality growth.

(2) Chengdu City, Sichuan Province: Pilot Reform Zone for Inclusive Finance Supporting Rural Revitalization¹²

In September 2022, departments including the *People's Bank of China* issued the *Overall Plan for the Pilot Reform Zone of Inclusive Finance Supporting Rural Revitalization in Chengdu City, Sichuan Province*, marking the official launch of pilot inclusive finance reform in Chengdu City. The goal is to establish a modern rural financial system that is multi-layered, wide-coverage, sustainable, moderately competitive, orderly, innovative, and risk-controllable within about five years, to promote the high-level urban-rural integrated development of Chengdu's "metropolis + modernization of agriculture and rural areas". In this pilot inclusive finance reform, rural financial development, urban-rural integrated development, and rural revitalization serve as core tasks. Against this backdrop, Chengdu has vigorously promoted rural financial development in recent years. By adhering to a problem-oriented approach, based on local realities, and exploring new, high-quality models of inclusive finance for rural revitalization, the city has achieved remarkable results.

Chengdu has taken a multi-pronged approach to enhance the supply capacity of rural finance and diversify rural financial services, so as to meet the actual needs of

residents and enterprises in rural areas and further promote the economic and social development of rural areas. In focusing on the development of "agriculture, rural development, and farmers", Chengdu has increased the allocation of financial resources and actively promoted the integrated development of inclusive finance supporting rural revitalization in the Chengdu-Chongqing region. For example, Chengdu has established the first private equity fund company focusing on rural revitalization investments, giving full play to the leading and leveraging role of financial capital. Through multiple inclusive financial support measures such as private equity funds, the city has promoted the "three-chain integration" of agricultural production and supply chains, intensive processing chains, and brand value chains, making every effort to accelerate the integrated development of primary, secondary, and tertiary industries. It is committed to expanding ten characteristic industries including Sichuan grain (oil), pigs, tea, sweet potatoes, traditional Chinese medicine, mulberry, cuisine, fruits, fish, and bamboo, and strengthening three leading supporting industries: modern seed industry, intelligent agricultural machinery

11. Source of the case: China Academy of Financial Inclusion (CAFI) at Renmin University of China | *Baseline Survey Report on Inclusive Finance Supporting Rural Revitalization in Chengdu*, December 2023.

and equipment manufacturing, and drying-cold chain logistics. At the government level, Chengdu has actively supported agricultural industrial enterprises, focusing on building modern industrial parks such as the Chongzhou Tianfu Granary National Modern Agricultural Industrial Park and the Xinjin Tianfu Agricultural Expo Park. It has gradually established a four-level park cultivation system at the national, provincial, municipal, and county levels. It plans to promote each district (city) and county to build 1 to 2 agricultural modernization demonstration parks, achieving a breakthrough of over 100 parks at or above the county level. With the deepening of financial reform, the supply capacity and level of rural financial services in Chengdu have been steadily enhanced.

Chengdu has also deepened the application of financial technology (fintech) to enhance the capability of financial services in empowering rural revitalization. As a key measure of Chengdu's "financial technology + inclusive finance", Chengdu city has launched the "Nong Dai Tong", an integrated rural financial service platform. Its operational philosophy integrates the concept of "government guidance + market-oriented operation", operating through both online and offline channels. Online, the "Nong Dai Tong" platform utilizes advanced "fintech+" technologies such as cloud computing, big data, and blockchain. With the construction of an agriculture-related credit system as its

core, it has established diversified service scenarios including credit matching services, insurance services, government affairs services, and supply chain finance. Offline, "Nong Dai Tong" has established 57 village stations in 10 agriculture-related districts (cities) and counties of Chengdu. Through these village-level service stations, it has broken through the "last mile" of rural financial services, effectively expanded financial supply, and provided convenience for rural residents to access financial services, meeting their actual needs. Since its launch in 2017, the "Nong Dai Tong" platform has become a crucial tool for Chengdu to advance inclusive finance which supports rural revitalization. The launch and application of "Nong Dai Tong" have consolidated Chengdu's leading position in rural financial services nationwide, continuously improved the accessibility of regional agricultural and rural financial services, enhanced user satisfaction, and effectively met the diversified and multi-level financial needs in the process of regional rural revitalization.

In addition, Chengdu has deepened the reform of the rural property rights system to promote the organic integration of rural property rights and financial resources. Specifically, Chengdu has actively guided the orderly transfer of land management rights. In January 2023, it introduced the Interim Measures for the Management of Transfer and

Transaction of Rural Property Rights in Chengdu, which clarified the rules for rural property rights transfer and transactions and defined a clear transaction directory, standardizing the rural property rights system. Meanwhile, Chengdu has established the “Chengdu Rural Property Rights Exchange”, a comprehensive service platform for rural property rights transfer and transactions. The Exchange operates under the principle of "government guidance and market-oriented operation". Its establishment and operation have improved the transaction system, diversified trading varieties, expanded transaction scale, and effectively allocated rural property rights resources. It has attracted over RMB 100 million of social capital into agricultural and rural areas, achieved diversified transfer and maximum value of rural property rights transactions, effectively increased farmers'

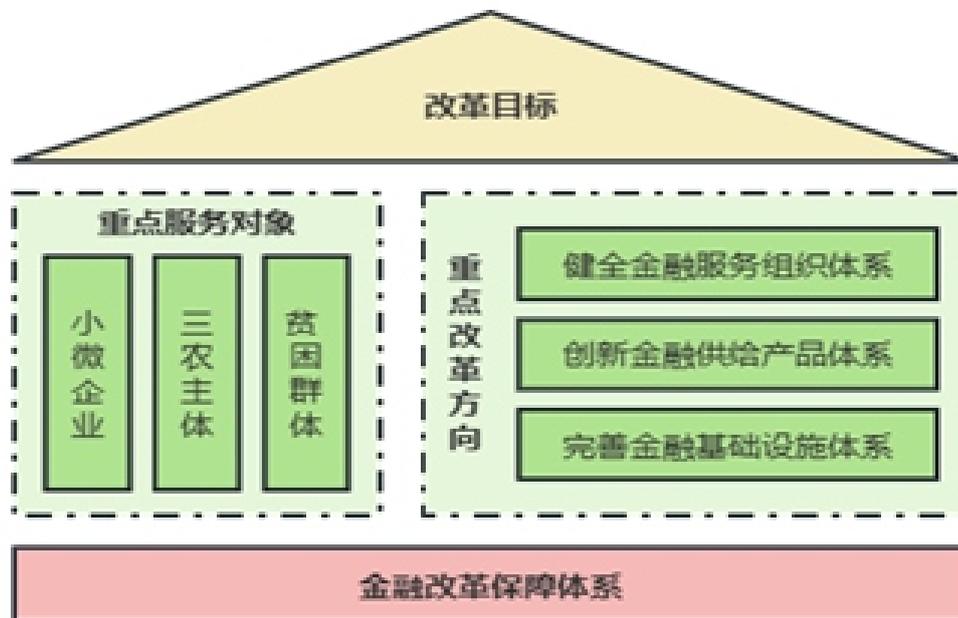
income, and protected the interests of rural households and farmers' collective.

Through efforts to strengthen rural finance for revitalization, Chengdu has established a diversified financial supply system. In recent years, Chengdu's economy has maintained rapid growth, with steady rural development, a high level of urbanization, a continuously narrowing urban-rural income gap, and a stable industrial structure that continues to evolve and improve. In the future, building on the continuous deepening of inclusive finance reform and rural financial development, as well as the steady advancement of the new-era high-level "Tianfu Granary" construction plan, Chengdu holds great potential for socioeconomic development, and agricultural and rural financial development will also reach new heights.

(3) Ningde City, Fujian Province: Pilot Inclusive Finance Reform Zone¹³

On November 28, 2019, Ningde City in Fujian Province was officially approved to establish a national-level pilot inclusive finance reform zone. Ningde's exploration of using inclusive finance for poverty alleviation could be divided into three stages: The first stage was before 2014, during which counties of Ningde City mainly adopted micro-credit schemes to support poverty alleviation, promoting "hematopoietic poverty alleviation" through "poverty alleviation by developing industries"; The second stage spanned from 2014 to 2016, during which Ningde took the lead in pilot practices. The Ningde Central Branch of the People's Bank of China issued the *Guidance on the Development of Inclusive*

Finance in Ningde, the first of its kind in the province, regarding inclusive finance construction as a key measure to boost the city's economic and financial development; The third stage began in 2016 and beyond. After China issued the programmatic document *Plan for Advancing Inclusive Finance Development (2016-2020)* for the inclusive finance, the Ningde Supervision Branch of China Banking and Insurance Regulatory Commission promptly formulated and issued the *Implementation Plan for Promoting the Development of Inclusive Finance in Ningde*¹⁴, actively advancing inclusive finance development under the guidance of the national programmatic document.



13. Source of the case: China Academy of Financial Inclusion (CAFI) at Renmin University of China | *Evaluation Report on Inclusive Finance Reform in Ningde City, September 2023*.

14. Source: The website of Ningde Municipal People's Government | Notice of Ningde Municipal People's Government on Issuing the Implementation Plan for Advancing the Development of Inclusive Finance, https://www.ningde.gov.cn/zfgbwyb/201711/t20171127_884074.htm

Figure 2 Implementation Roadmap for Inclusive Finance Reform in Ningde City (2020-2022)

改革目标	Objectives of reform
重点服务对象	Key service object
小微企业	Small and micro enterprises
三农主体	Agriculture, rural areas, and rural residents
贫困群体	Disadvantaged group
重点改革方向	Key reform orientation
健全金融服务组织体系	Improve the organizational system of financial services
创新金融供给产品体系	Innovate the product system of financial supply
完善金融基础设施体系	Upgrade the financial infrastructure system
金融改革保障体系	Financial reform guarantee system

In 2019, Ningde City achieved its goal of poverty alleviation ahead of schedule. Since then, Ningde City, for the development of its agriculture, rural areas, and rural residents, has focused on consolidating poverty alleviation achievements, preventing "poverty recurrence", and realizing rural revitalization. Against this backdrop, Ningde City issued the Implementation Plan for Advancing Inclusive Finance Development in May 2020, providing a comprehensive deployment for the city's inclusive finance development. During the practice of the pilot inclusive finance reform zone, Ningde City has adhered to being guided by reform objectives. Based on constructing a financial reform guarantee system, it has improved the organizational system of financial services, innovated the product system of financial supply, and upgraded the infrastructure system of financial services, so that the achievements of this round of reform can better benefit micro and small enterprises, agriculture, rural areas, and rural residents, and disadvantaged groups.

Ningde's inclusive finance reform has

distinct features, primarily reflected in the development of a credit information system and financing mechanisms for rural production factors.

In terms of credit information system construction, the previous rural credit system was mainly promoted through financial institutions' selection of "credit households, credit villages, and credit townships". However, this model faced multiple issues, such as agriculture-related financial institutions acting in isolation, difficulty in sharing credit information, and conflicting evaluation results, which severely affected the effectiveness of credit creation. To address these issues, the Ningde Central Branch of the People's Bank of China broke with convention and established a working mechanism of "government guidance, PBOC coordination, multi-stakeholder participation, and social service". The policy measures of agriculture-related government departments and agriculture-related financial institutions were integrated to jointly promote the creation of "credit townships and credit

villages of inclusive finance". This measure effectively enhanced the credit awareness of rural economic entities and improved the rural financial credit ecological environment, providing important financial infrastructure support for rural revitalization. From 2019 to 2022, Ningde City selected 31 inclusive finance credit townships and 609 credit villages in four batches, achieving phased results in the work of creation.

In terms of rural production factor financing, the difficulty of obtaining loans in rural areas mainly stemmed from the lack of effective collateral, so Ningde City actively innovated and improved the rural production factor financing mechanism, introducing a series of measures. Fu'an City issued the Work Plan for Confirmation of Rights of Rural Production Factors in Fu'an City, confirming and registering rural property rights to lay the foundation for factor financing. Fuding City piloted and issued Implementation Opinions on Activating Rural Production Factor Financing, Operational Rules for Activating Rural Production Factor Financing, Regulations on the Management of Transfer of Rural Production Factor to Market, and Regulations on the Management of Rural Production Factor Financing Services, established a platform for the transfer and financing of rural production factors and built corresponding working mechanisms, effectively activating three categories of

local rural factor resources composed of assets, property rights certificates, and labor force quality. In addition, Ningde City established a multi-stakeholder risk-sharing mechanism involving commercial insurance, government-backed guarantee institutions, banks, and fiscal subsidies. Meanwhile, in response to potential risks arising from rural production factor financing, the city set up a supporting mechanism for factor acquisition, storage, transfer, and disposal. Through these institutional constructions and platform developments, Ningde City has achieved end-to-end services for rural production factors, including rights confirmation and registration, value assessment, mortgage financing, and transfer and disposal, which have significantly expanded the scope of collateral.

Ningde's inclusive finance reform has effectively improved residents' living standards. For resident income, an empirical study based on questionnaire surveys and PSM (Propensity Score Matching) analysis methods shows that Ningde's financing service reform and innovation can significantly increase the income levels of three key types of households: families in mountainous counties, rural households, and low-income households. For insurance services, the results of questionnaire surveys show that 56.4% of agricultural production and management households in Ningde City have a certain understanding of insurance,

28.6% of agricultural production and management households have purchased agricultural insurance, and more than 70% of households holding agricultural insurance report that their agricultural insurance can meet their protection needs. Empirical studies also confirm that Ningde's agricultural insurance reform can significantly increase the agricultural income levels of local agricultural production and management households.

Credit plays a "cornerstone" role in enabling financial services to better serve the real economy. During the inclusive finance reform, Ningde broke the fragmentation and information-sharing barriers in the traditional three-tier (county-

town-village) credit evaluation system, establishing a working mechanism of "government guidance, PBOC coordination, multi-stakeholder participation, and social service". Based on the shared standards and outcomes, the city actively used market-oriented measures to mobilize market entities to actively participate in credit building, enhance the credit awareness of rural economic entities, and improve the rural financial credit ecosystem. This has formed Ningde's experience in inclusive finance reform, characterized by "industry-finance integration, credit foundation-building, financing guarantee & credit enhancement, data capacity expansion, and consumer rights and interests protection & efficiency improvement".

(4) Longyan City, Fujian Province: Pilot inclusive finance reform zone¹⁵

Since the establishment of the pilot inclusive finance reform zone, Longyan City, Fujian Province, based on the characteristics of regional economic and social development, has carried out a series of reforms and innovations in green inclusive finance, digital inclusive finance, and financial consumer protection. Through a series of financial products, including forestry carbon sink index insurance, forestry financial blockchain service platform, and Huilin Card (Forestry Benefit Card), green and inclusive financial services have been effectively integrated, enhancing financial services for micro and small groups and exploring mechanisms for ecological value realization. The establishment of the Inclusive Financial Service Center has integrated comprehensive services such as financing, credit counseling, financial dispute resolution, financing guarantees, and comprehensive consulting. Additionally, a digital inclusive financial service platform established within the center has actively promoted public service data governance, enhancing the prominence of online and offline services. The "Credit Financing Fee Notification System" and the "Financial Dispute Mediation Center" embedded in the Financial Service Center and Funong

Station have provided positive references for exploring mechanisms for financial consumer protection.

The primary principle of regional financial reform and innovation is to better support local economic and social development. Longyan City is located in the southwestern part of Fujian Province. Agriculture holds a significant position in its industrial structure and is one of the leading industries. In 2022, the proportion of the primary industry in Longyan City accounted for 9.4% of Longyan's GDP, 2.1 percentage points above the national average. Among its counties and districts, except for Xinluo District, the proportion of the primary industry in other counties exceeds 11.4%, far exceeding the national average, indicating a high proportion of agricultural-related industries in these counties. This indicates that in the county economy of Longyan, the primary industry is of utmost importance, and agriculture, rural areas, and rural residents, as well as micro and small groups closely linked to it, have strong development needs.

Meanwhile, Longyan City boasts significant green development advantages. Longyan City is a national demonstration zone for ecological civilization construction, with a

15. Source of the case: China Academy of Financial Inclusion (CAFI) at Renmin University of China | *Evaluation Report on the Pilot Inclusive Finance Reform Zone in Longyan City, Fujian Province*, December 2023.

forest coverage rate of 79.2%. By fostering various green industries such as the under-forest economy, ecotourism, and the forestry industry, the city generated a total forestry output value of RMB 50.47 billion in 2021, laying a solid foundation for green industry growth. In addition, Longyan City is at the forefront of forestry property rights reform nationwide. In 2001, Wuping County in Longyan City piloted the "household-based distribution of collective forestry property rights" and issued the first forestry property rights certificate in China, thus becoming the "first county in China for forestry property rights reform". Subsequently, the collective forestry property rights system reform was gradually promoted nationwide. The realization and innovation of ecological value have laid a solid foundation for Longyan City's green development.

Supported by policies, green finance in Longyan City has been developing continuously with remarkable achievements. To further improve the credit service level in rural areas, Longyan City has continued to strengthen the construction of the rural credit system since 2019. Leveraging policy innovation opportunities from financial reform, Longyan City has established a rural credit creation model of "demonstration + inclusion", rapidly improving the credit service level in rural areas and increasing bank credit accessibility and the ratio of credit loans. From 2019 to 2022, the coverage rates of credit townships and credit villages in the

jurisdiction of Longyan City's increased significantly, rising from 26% and 37% to 47% and 63% respectively, with growth rates of 81% and 70% respectively. Against the backdrop of improved regional credit service levels, the credit information filing rate and credit utilization rate for rural households have steadily increased. The filing rate rose from 91% to 96%, a 5% increase, while the credit utilization rate grew from 66% to 73%, a 7% increase. The establishment of an upgraded credit system has enhanced the completeness of information for agriculture, rural areas, and rural residents, facilitating their access to financial institution services and assisting in risk control.

Meanwhile, the quality of inclusive financial services in Longyan City has also significantly improved. Since 2019, the growth rates of agricultural-related loans and inclusive small and micro enterprise loans in Longyan City have both outpaced the average growth rate of total loans by financial institutions. In 2022, the annual growth rate of inclusive small and micro enterprise loans reached 30.5%, while that of agricultural-related loans was 20.7%, both of which were 5.5 percentage points and 15.3 percentage points higher than the growth rate of various loans, respectively. Meanwhile, both indicators ranked among the highest in Fujian Province. In addition, the proportion of agricultural-related loans in the total loan balance of financial institutions in Longyan

City increased from 36.8% in 2019 to 39.6% in 2022, an increase of 2.8 percentage points. By contrast, the proportion of agricultural-related loans nationwide only increased by 0.3 percentage points over the same period. The increase in the financing proportion of agricultural-related entities indicates that financial services for county-level development and rural revitalization have been strengthened. This also indicates that since the financial reform, the development of inclusive small and micro enterprise loans in Longyan City has achieved remarkable results, with a significant optimization of the banking sector's financing structure. This provides financial support for advancing the philosophy of shared prosperity during high-quality development.

During the inclusive financial reform period, the insurance industry in Longyan City continuously developed new types of insurance focused on county-level characteristic industries. The security level of agricultural insurance has been steadily enhanced, and premium income has also significantly grown. During the inclusive financial reform period, Longyan City introduced 42 new types of agricultural insurance, an increase of 14

compared to 2019. Meanwhile, annual agricultural insurance premium income also grew steadily, increasing from RMB 189 million in 2019 to RMB 269 million in 2022, an increase of 42.3%. In addition, the number of households covered by agricultural insurance in Longyan City has been growing steadily at a rate of 3.7% to 4.3%, reaching 2 million. Longyan City's inclusive finance and insurance market have synergistically expanded the multi-level coverage and protection of financial services for agricultural production.

Currently, the demand for green financial services to support green development is increasingly expanding. Longyan City has made significant progress in integrating green and inclusive finance. Specifically, how to promote this deep integration of green finance and inclusive finance to support regional green transformation and development has become a key area for active exploration and innovation in green finance across various regions. Building on its unique strengths, the Longyan Pilot Financial Reform Zone has actively explored an integrated development path for green inclusive finance centered on forestry, injecting new momentum into regional green development.