

# On the Innovation and Development of Financial Industry

## -- Take Sanya as an Example

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### Abstract

**In the whole process of economic development, it is inseparable from the support of Finance and economy. The development of financial industry can effectively serve the development of the real economy and give birth to new economic growth points. It is the core force of economic development. This paper will combine the development status of Sanya's financial industry and the adjustment of Sanya's corresponding financial policies, compare it with the development of the whole national financial industry, explain the problems faced by the financial industry in the process of innovation and development, and put forward practical opinions and suggestions to promote the innovative development of Sanya's financial industry.**

### Keywords

**Financial Industry; Innovation-driven Development; The City of Sanya.**

## 1. Introduction

Sanya mainly focuses on the development of tourism, tropical efficient agriculture, high-tech industry and real estate industry. Tourism and efficient tropical agriculture are the pillar industries of Sanya and the main growth point of economy. However, in recent years, due to the impact of the epidemic, the tourism industry has recovered and developed slowly, and there are shortcomings in the hardware and software of tourism development, The consumption structure needs to be further transformed and upgraded. At the same time, it is also faced with such problems as low degree of economic export-oriented, deteriorating business environment, lower level of public services, and obvious shortcomings in relevant public services. However, with the gradual construction of Hainan free trade port pilot zone and free trade port with Chinese characteristics, Sanya urgently needs to seize this important opportunity to form a new economic growth point, Combined with the characteristics of the city's own development, to seek a new development path. Sanya will grasp the opportunity of development, actively attract investment, develop offshore finance, accelerate the transformation and upgrading of the financial industry, make it better radiation the development of the real economy, and strive to achieve the innovation and development of Sanya's financial industry.

## 2. Development Status of Financial Industry in Sanya

### 2.1. The Financial Institutions Represented by the Banking Industry as a Whole Show a Good Development Trend, But the Innovation Power of Financial Products is Insufficient

By the end of 2020, the balance of domestic and foreign currency deposits of financial institutions in the city will reach 163.937 billion yuan, an increase of 7.1% over the beginning of the year. Among them, domestic deposits amounted to 163.343 billion yuan, an increase of

6.9% over the beginning of the year. However, the balance of domestic and foreign currency loans of financial institutions in the city was 128.591 billion yuan, a decrease of 3.4% over the beginning of the year, including 128.435 billion yuan of domestic loans, a decrease of 3.4% over the beginning of the year; Foreign loans amounted to 157 million yuan, down 11.6% from the beginning of the year. All these show that Sanya's financial industry has a good development situation in China and has a strong absorption of domestic funds, but the absorption of funds from foreign financial markets is weak and the development power of foreign financial markets is insufficient, which is related to Sanya's financial industry development policies and financial products. Although Sanya can now rely on Hainan free trade zone to develop export-oriented economy, there are still problems in the field of financial industry, such as single financial products, single financial industrial structure and so on.

## **2.2. The Phenomenon of Nonstandard Financial Market is Still Widespread**

In today's financial market, the phenomenon of financial speculation still exists, and the "backdoor" false listing is still operating in the dark. Some powerful companies grow savagely, blindly expand to the financial industry in order to obtain a monopoly position in the development of the whole market, and even use financial institutions as "cash machines", which makes financial institutions take risks and bear greater risks, It increases the instability of capital flow, is not conducive to the stability of the whole financial market, and may cause a chain reaction, lead to fierce fluctuations in the prices of other financial instruments such as stocks and securities, and reduce the confidence of investors.

## **2.3. The Government's Support for the Financial Industry is Insufficient**

In recent years, Sanya's tourism development has been short, there are problems such as insufficient tourism supporting facilities and reduced public service level. The real estate industry urgently needs transformation and upgrading, optimizes the industrial structure, lacks development power, and needs to find new development motivation. The government has always paid more attention to the investment in tourism and real estate, However, the fund and policy support for the financial industry in Sanya is insufficient, there is a lack of excellent financial business environment, the attraction to talents is low, and there is a lack of professional financial talents to support the innovation and development of the local financial industry.

## **2.4. Relevant Financial Industry Legislation is not Perfect**

At present, the non-standard phenomenon in the financial market is widespread. Behind it are the lack of legislation and the imperfect legislative mechanism, the failure to better subdivide the financial market, standardize legislation, reduce the occurrence of "edge ball" events, provide a legal and orderly financial market environment for the healthy development of the financial industry, and strictly punish enterprises or individuals who operate in violation of regulations in the financial market, We should stick to the bottom line of the law, escort the new economic development point of Sanya, promote the optimization and upgrading of the industrial structure of Sanya, make the development of the financial industry more effectively serve the growth of the real economy, and realize the high-quality development of the economy.

# **3. Feasibility Analysis of Sanya Financial Industry Innovation and Development**

## **3.1. First Class Business Environment**

The District Bureau of Commerce and finance actively communicates with the masses through teleconference, on-site conversation, on-site office and verification, coordinates and deals with relevant matters, handles them in strict accordance with relevant procedures, strictly punishes

violations in the financial market, creates a first-class business environment in combination with the current situation of local economic development to the greatest extent, and contributes to the construction of Hainan free trade port. Take this opportunity to develop the financial industry, innovate financial services, provide a variety of financial products and enhance the confidence of investors.

### **3.2. Financial Innovation and Development Help Poverty Alleviation**

We have been on our way to fight against poverty. Sanya innovates a new model of financial poverty alleviation and opens up a new path of poverty alleviation. To drive regional development with industrial development and radiate the development of individual families with regional development is different from the direct poverty alleviation and relief funds in the past. Instead, we should pay close attention to the root causes of poverty and continue to broaden the channels of income sources from the "root". By innovating the new poverty alleviation model of "leading enterprises + financial institutions + poor households", taking the leading enterprises as the direction, giving full play to its guiding force, taking the financial institutions as the connection point between poor households and enterprises, and accurately linking the support funds to the targeted poverty alleviation, it can not only effectively revitalize the enterprise funds, but also facilitate the rational allocation of social resources and help the poverty alleviation work.

### **3.3. Timely Support Policies for Financial Industry**

Sanya Municipal government has fully investigated the current economic development and put forward practical and effective support policies for the financial industry. In 2020, we will thoroughly implement the "cornerstone plan" and "Egret plan", promote the high standard development of the financial industry, formulate relevant policies for the active introduction of talents, and promote the agglomeration of financial institutions and talents. Promote the settlement of financial industry in Sanya, provide stable employment, housing, medical and other social security policies for financial innovative talents, implement preferential incentive policies based on the construction of free trade port, integrate regional resources and drive economic development.

## **4. Policy Suggestions on the Innovation and Development of Financial Industry in Sanya**

### **4.1. Give Full Play to the Leading Role of Policies**

Take the construction of Hainan free trade port as an opportunity, make full use of the development opportunities it brings, and give birth to new economic development momentum. Relevant financial industries always adhere to the development direction of policies and actively use preferential financial industry support policies to achieve their own rapid development. At the same time, Sanya Municipal government should strive to promote the innovation and development of new financial industries and promote the rational allocation of financial resources, continuously improve the scientificity and effectiveness of Sanya Municipal Government's support policies in guiding the high-quality development of the financial industry.

### **4.2. Actively Promote the Innovation of Financial Service Products and Improve the Construction of Financial Infrastructure**

With the continuous development of society, people's financial needs are increasing, and their financial awareness is also increasing. Financial institutions are required to constantly accelerate the innovation of financial products and financial services, to provide people with more convenient and accurate financial services. We will innovate the model of credit loans,

broaden the scope of financial products, actively develop Internet Finance and consumer finance, effectively alleviate the problem of "financing difficulties" of enterprises and stimulate the vitality of enterprises. Actively promote the improvement and innovation of public service facilities, improve the construction of financial infrastructure, make it better serve the development of financial industry, improve customers' service experience, effectively reduce customers' cost of enjoying financial services, strengthen the protection of consumers' rights and interests in financial service consumption, and constantly improve the satisfaction of financial services.

#### **4.3. We Will Actively Guard Against Financial Risks and Broaden Channels for Solutions**

We should adhere to the main role of the market, strictly handle non-standard financial market behaviors in accordance with the law, and enhance the role of legalization in the financial market, Give full play to the decisive role of the market in the allocation of social resources. Improve the financial management system, build a systematic intelligent financial system network, effectively monitor the development of the financial market, real-time monitor the development of the financial market, speed up the establishment of information management system, to ensure the sustainable and healthy development of the financial industry. Establish a multi-level, full coverage and efficient financial risk early warning management mechanism to effectively resolve financial risks.

#### **4.4. Improve the Financial Organization System and Improve the Efficiency of Financial Services**

In recent years, the development of Sanya's financial industry has gradually entered the track of healthy and healthy operation, and the overall contribution rate of the innovation and development of the financial industry to the economy has continued to improve. However, it is not difficult to find that in the whole process of the development of the financial industry, the efficiency and effectiveness of financial services are low, and the financial organization system is not perfect the lack of information between the supply and demand of financial services is still prominent, and the construction of financial management system needs to be further improved. We should constantly improve the ecological environment of the financial market, improve the credit investigation service system, improve the efficiency of financial services, and promote the combination of Finance and the real economy.

#### **4.5. Strengthen the Training of Financial Talents**

According to the actual development of the local financial industry and combined with the current market situation, Sanya makes clear the direction and field of talent inflow, puts forward relevant talent cultivation and introduction policies, and expands the scale of professional talent cultivation, which is not only conducive to the accurate use of talents, but also provides sufficient human and intellectual support for the development of enterprises. We should fully understand the current problems of talents, provide preferential subsidy policies and support policies in settlement, education and medical treatment, cooperate with relevant colleges and universities, actively carry out relevant competitions in colleges and universities, set up competition awards, and stimulate college students' interest in participation. At the same time, it is conducive to enhancing college students' awareness of the financial industry, Relying on Colleges and universities to train and study relevant on-the-job personnel, improve the ability to use financial tools first and gradually form a modern financial consciousness, strive to cultivate professional and comprehensive financial talents, accelerate the transformation of financial scientific and technological research achievements, and serve the development of the financial industry.

#### 4.6. Strengthen Foreign Exchanges and Cooperation and Actively Develop Offshore Finance

We will strengthen opening up, cooperation and exchanges. Enhance the attraction to overseas financial markets, actively introduce overseas financial institutions, promote their entry into Sanya, improve preferential financial industry support policies, rely on the construction of Hainan free trade port, strengthen exchanges and learning with foreign countries, attract international investors to participate in local financial market transactions, accelerate the transformation of financial industries and products, and develop offshore finance, wealth management Insurance services and other high-end financial formats.

### 5. Conclusion

The development of financial industry is an eternal proposition, which requires us to combine the current situation of social development in real time. Sanya should formulate and adjust relevant financial industry policies in time. The government should give full play to the role of financial support policies, promote the mutual flow of funds, talents, information and resources, strengthen the integration of financial resources, and constantly promote the transformation of financial scientific and technological achievements, The real economy is the first and finance is the second. We should always make the development of the financial industry serve the development of the real economy and realize the scientificity and effectiveness of the healthy, orderly and high-quality development of Sanya's economy.

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