

# Countermeasure Analysis of Green Finance Promoting Rural Revitalization Strategy

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## Abstract

**With the comprehensive and in-depth promotion of ecological civilization construction and system reform, the concept of green finance has been put forward, and green finance has also developed rapidly. Vigorously promoting green finance has an important role and influence on realizing rural revitalization strategy. Through analyzing the problems existing in the process of promoting rural revitalization by green finance at present, this paper puts forward some countermeasures.**

## Keywords

**Green Finance; Rural Revitalization; Development Goals.**

## 1. Introduction

If the nation is to be revived, the countryside will be revitalized. Implementing the rural revitalization strategy is a major decision made by the 19th National Congress of the Communist Party of China, and it is also the general starting point for doing a good job in "agriculture, countryside and farmers" in the new era. In order to make an overall plan and scientifically promote the rural revitalization strategy, the scientific judgment of "five revitalization" is put forward, namely, rural industry revitalization, rural talent revitalization, rural culture revitalization, rural ecological revitalization and rural organization revitalization. With the "five revitalization" as the goal, a clear and clear rural revitalization task and road map are formulated. It can be seen that green development is the only way for rural revitalization. In the process of promoting rural revitalization strategy, we should pay attention to ecological construction and green sustainable development, promote the healthy and harmonious coexistence between man and nature, and build a new ecological environment. Green finance refers to economic activities to support environmental improvement, cope with climate change and save and use resources efficiently. Therefore, the two are highly correlated. Green finance can provide a strong financial guarantee for the development of rural green industry and the promotion of green technology, and has an important impact on promoting rural revitalization strategy and supply-side structural reform. It is also the basis for realizing the two-way sustainable development of rural ecological environment and economic construction.

## 2. The Significance of Green Finance in the Process of Boosting Rural Revitalization Strategy

### 2.1. Increasing the Development of Green Finance is the Inherent Demand of Rural Economic Development

The economic base determines the superstructure. Rural economic development is the foundation for rural revitalization. For a long time, due to the influence of urban-rural dual structure, the development of rural economy in China is relatively slow, the agricultural economic foundation is still relatively weak, the production mode is relatively simple and rough, the development concept is outdated, and the industrial value chain is incomplete. These

factors seriously restrict the development of rural economy. At present, China's economic growth mode has changed from "high-speed development" to "high-quality development", and rural economy is an important part of the national economy. Promoting the process of high-quality development of rural economy is the meaning of China's high-quality economic development. To develop rural economy, we must break through the traditional development mode, build a modern agricultural development system, and promote the development of ecological agriculture and intelligent agriculture. The implementation of the rural revitalization strategy provides new opportunities and new development requirements for the development of rural economy. With the development of society and the deepening of rural revitalization strategy, the importance of green finance is becoming more and more prominent. Green finance can provide certain financial support and guarantee for the development of rural economy, which is conducive to promoting the integration and diversified development of agricultural technology, green aquaculture industry, processing industry and other industries. It is very important for building a modern agricultural system and promoting the development of rural economy [1].

## **2.2. Conducive to Promoting Rural Green Development**

The goals of "peak carbon dioxide emissions" and "carbon neutrality" have been incorporated into the medium and long-term development plan of China's economy and society, and green development has become the most beautiful background of the rural revitalization strategy. In 2021, the Ministry of Agriculture and Rural Affairs, the National Development and Reform Commission and other six ministries and commissions issued the "Fourteenth Five-Year Plan", which clearly put forward the objectives and tasks of green development of agriculture and rural areas by 2025 and 2035. Therefore, taking the road of green development in rural areas is the general trend and the only way to revitalize rural areas. To take the road of green development in rural areas, the key point is to develop green industries and carry out projects such as rural environmental governance, ecological restoration and rural ecological network construction. These rural revitalization projects are public products, which have the characteristics of high investment cost, long cycle and high risk, and their social benefits are greater than economic benefits, which do not meet the requirements of traditional financial services. The most striking feature of green finance is that it pays more attention to social benefits in financial investment activities in the fields of environmental protection and effective utilization of resources, and is an effective carrier to realize rational allocation of resources. With the development of China's green finance and the continuous improvement of the service system, it will become a powerful starting point to promote the transformation of rural industrial structure and energy structure and promote the green development of rural areas.

## **2.3. Conducive to the Revitalization of Rural Talents**

Rural revitalization strategy is a systematic project. To effectively promote the implementation of rural revitalization strategy, it is necessary to effectively combine various elements, such as talents, land and funds, to maximize their effectiveness. Among them, talent is an important resource for rural revitalization and sustainable development. In recent years, due to the continuous development of urbanization, rural areas have become hollowed out, and those who stay in rural areas are generally old people and children. Therefore, human resources have become a key factor restricting rural revitalization. With the continuous development of green finance, the support of talents and venture capital has been further increased, the overall quality and comprehensive benefits of financial services have been gradually enhanced, and corresponding special training has been carried out regularly to provide conditions for talents to start businesses and obtain employment. The full implementation of the rural revitalization strategy has also provided a good platform for the majority of rural residents, thus encouraging

young people with aspirations to return to their hometowns to start businesses and promoting the virtuous circle development of the local economy [2].

### **3. Various Problems Faced in the Process of Promoting Rural Revitalization by Green Finance**

#### **3.1. The Concept of Green Development Needs to be Further Improved**

As far as the present situation is concerned, China's green finance is still in the primary stage of development, and the fit between green finance and rural revitalization resource allocation is not high. Although the concept of sustainable development has been fully implemented, some banks have also combined this development concept with their strategic development, striving to improve the problems and contradictions between ecological environment and social development and promote their coordinated development. However, on the whole, the concept of green development of bank financial institutions needs to be improved, and the related supporting systems and operational processes need to be improved. Most of the green financial development institutions have limited professionals and their professional capabilities need to be strengthened. Green credit management and traditional credit management concepts are contradictory. In many cases, the concept of "green" is just a symbol, and there are still many problems, such as the value of green rights and interests can not be identified, and the public welfare green projects can not be fully and effectively implemented, which also hinders the development of rural green finance [3].

#### **3.2. Lack of Top-Level Design**

In the process of implementing the rural revitalization strategy, we should ensure the comprehensive investment of funds related to agriculture, rural areas and farmers, so as to optimize and adjust the current allocation of financial resources. The financial sector has also put forward a series of measures to promote the full implementation of the allocation of financial resources and incorporate it into the overall strategic policy deployment process. Through the implementation of a series of incentive policies and means, the demand for funds for rural economic development can be met as much as possible. At the present stage, the traditional financial system and management mode can no longer meet the comprehensive demand for resource allocation in the current rural revitalization strategy development process, which leads to the failure to give full play to the real role of finance. The construction of green financial system can not be separated from the top-level design, which is mainly reflected in the experimental field of green financial reform. There are still many problems and defects in the process of promoting green finance at the local level. The most prominent problem is that the planning guidelines formulated by relevant departments cannot be effectively connected with green finance and rural revitalization strategies [4].

#### **3.3. The Lack of a Sound Incentive Mechanism**

Green finance has a strong external effect in the process of boosting the development of rural revitalization strategy, but the public who are affected and gain benefits can't pay for it, which is easy to cause the externalities of green projects to be completely internalized. Some green projects that are unattractive, or have low overall income and certain risks need appropriate intervention by relevant departments, establish and improve the incentive mechanism for green financial development in terms of policies, and establish professional green financial institutions, so as to promote the all-round development of green financial business and provide support for the full implementation of rural revitalization strategy. At present, the most prominent problem is that the financial management department has not formulated sound policy support, nor has it introduced subsidy policies related to the development of green loans and rural revitalization strategies. The preferential tax policies are imperfect and the incentive

system is lacking, which leads to the failure to effectively implement green finance and the failure of relevant government departments to give full play to its role and value [5].

### **3.4. Environmental Information Disclosure Mechanism is not Perfect**

At present, the mechanism of green product certification and environmental protection information disclosure needs to be further improved, mainly involving the following aspects. First, there is a lack of scientific sharing mechanism in green agricultural products, green project certification system and environmental protection information disclosure mechanism. At present, China's green products lack a unified certification standard, and the certification methods and types are complex and diverse [6]. Social awareness of green products is also relatively low. Generally, green projects or products need to be certified by specialized institutions, but the evaluation institutions themselves may have great differences in personnel quality, institutional qualifications and professional experience, which leads some evaluation institutions to ignore the comprehensive evaluation and certification based on environmental benefits. Secondly, the imperfection of environmental information disclosure system is also prominent. In the process of developing green finance in rural areas, it is very critical to accurately identify green industries and projects [7]. However, the current problem is that China has not made mandatory disclosure of environmental information indicators of enterprises and projects, and the system is not perfect. It has not paid attention to monitoring the content of carbon dioxide and wastewater in the environment, especially in rural areas, and the situation has become more and more serious, which has caused financial institutions to be unable to accurately understand the development of enterprises and projects in time [8]. Finally, the environmental information sharing mechanism is not perfect. According to the current investigation on illegal information disclosure in China, the main problem is that the information disclosure is not timely or incomplete. At the beginning of the project, the environmental assessment information was not perfect, and the relevant information and data could not be entered into the corresponding system platform in time, so all levels of departments could not accurately obtain and enter the illegal information. The major banking institutions needed to obtain the environmental information status of enterprises through other means, such as communicating with relevant departments and consulting materials on the Internet. This process would also consume a lot of time and energy, resulting in the actual work efficiency of staff to be further improved.

## **4. Effective Strategies for Green Finance to Boost the Development of Rural Revitalization Strategy**

### **4.1. Grasp the Key Areas and Boost the Rural Revitalization Strategy**

It is a long-term project for green finance to promote the development of rural revitalization strategy. Under the background of "double carbon", the overall demand for green finance is increasing. In order to promote the full implementation of green finance and give full play to its role, we must grasp the key points and innovate from many aspects, so as to ensure that green finance can fully cover the whole rural area. There are remarkable differences in the development process of rural revitalization strategy, most of which are reflected in the urgency of development, public service attributes and other aspects. In order to effectively change the current differences, we should fully consider the current situation of green financial resources, comprehensively classify and effectively integrate financial resources according to the actual situation, and at the same time formulate scientific and effective policies, increase support, promote the all-round development of green finance, give full play to its role, and formulate practical and reliable strategic guidelines. Starting from the difficulties and using diversified means to fully implement the concept of green development, we can start from the following

aspects: first, vigorously promote the development of rural green industries, and on this basis, comprehensively promote the green development of modern agriculture. Secondly, comprehensively promote the rural ecological revitalization, based on ecological revitalization, vigorously improve the rural living environment and promote the construction of beautiful countryside [9]. Furthermore, it is necessary to comprehensively promote the revitalization of talents, reserve excellent human resources, increase investment in special training of talents, and build a "three rural" work team that understands agriculture, loves the countryside and loves farmers, so as to provide a strong intellectual guarantee for rural revitalization. Green finance to promote rural revitalization and development should focus on these, comprehensively promote modern agricultural production and green development, and the gradual improvement of rural infrastructure and ecological environment also provides favorable conditions for high-quality talents to start businesses.

#### **4.2. Do a Good Job in Top-Level Strategic Design**

Rural revitalization strategy is the key link to realize the Chinese dream of the great rejuvenation of the Chinese nation. In order to ensure the effectiveness of rural revitalization strategy and make green finance play a real role in the development of rural revitalization strategy, it is necessary to do a good job in top-level design, effectively integrate green finance with rural revitalization strategy, gradually improve the top-level design of rural revitalization strategy, and comprehensively plan and correctly guide various mechanisms and supporting policies, thus providing a basic guarantee for green finance to promote the development of rural revitalization strategy [10].

#### **4.3. Strengthen Reasonable Policy Guidance**

First of all, we should formulate scientific green financial standards, optimize and improve the relevant standards of green credit, and form mutual relations with industry standards to ensure that the green financial data system can automatically extract, analyze and count data. The relevant departments should proceed from the actual situation, formulate the corresponding strategic direction, ensure the coordination and cooperation between the green financial policy mechanism and the rural revitalization strategy, and clarify the relevant restraint mechanism. The government should also encourage financial institutions to carry out innovative activities, provide support in taxation and finance, learn from international advanced experience, establish specialized green financial institutions, actively explore green credit management models, and gradually improve the evaluation system [11].

#### **4.4. Gradually Improve the Relevant Supporting Mechanisms**

In the process of green finance boosting rural revitalization strategy, we should not only vigorously develop the economy, but also comprehensively consider the ecological and environmental benefits to ensure coordinated development in many ways, so as to further promote close cooperation and synchronous development among regional economies. From the perspective of government security, firstly, we should continuously strengthen the security role of government departments, gradually optimize the structure of fiscal expenditure, increase preferential support, attach great importance to the full implementation and development of green finance, strengthen technological innovation and system optimization, and continuously enhance the enthusiasm of green financial investors. Financial management institutions and relevant departments should, in combination with the actual situation, introduce corresponding policies and mechanisms and increase support. For small and medium-sized enterprises, they can make reference according to relevant standards, and carry out relevant activities through setting up outlets, developing new business and supervision and evaluation, so as to provide development impetus for green finance to boost rural revitalization.

#### 4.5. Give Full Play to the Role of Financial Technology

Compared with the traditional financial development model, green finance has invested more in manpower and time costs, and it also involves many links such as green definition, identification and certification [12]. In order to make the overall effect of green finance promoting rural revitalization more obvious, we should attach great importance to the role of modern scientific and technological means and comprehensively promote the application and development of financial technology. For example, the popularity of big data and Internet of Things has also created favorable conditions for production activities and economic development. Fully integrating them into the green financial system can not only reduce operating costs, but also promote its further development. At the same time, we can make full use of green finance, store, select, comprehensively analyze and utilize the relevant data information of rural revitalization green projects, and create favorable conditions for green finance to promote the development of rural revitalization strategy.

#### 5. Conclusion

Actively exploring the strategic path of green finance to promote rural revitalization is the key link in the current rural economic development process. Fully understand the role and value of green finance in promoting rural revitalization strategy, comprehensively analyze the existing problems, and put forward practical solutions, seize key areas, strengthen policy guidance, and gradually improve relevant supporting mechanisms. By building a scientific and perfect financial technology service system, the stable development of green finance will be comprehensively promoted, and a good foundation will be laid for realizing the development goals of rural revitalization strategy.

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