## **Chapter 6 Research on Rural Vitalization and Anti-Poverty Strategy and Policy**



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The rural vitalization and anti-poverty strategy is an important part of China's strategies for mid-to-long-term economic and social development. The 14th Five-Year Plan period is the launching period of rural vitalization strategy, and the transitional period of anti-poverty strategy. With the realization of the goals of the fight against poverty, China's anti-poverty policy will change from hypernormal poverty alleviation to conventional poverty governance, and the focus of the national work related to "agriculture, rural areas and farmers" will also shift from poverty alleviation to the full implementation of the rural vitalization strategy. For a long time to come, China's rural vitalization and anti-poverty efforts will aim to comprehensively deepen reforms, stimulate the internal driving force of rural development, and gradually establish a long-term mechanism for farmers to increase their income and reduce relative poverty, so as to lay a solid foundation for basically realizing agricultural and rural modernization in 2035.

# 6.1 Overall Evaluation of the Rural Vitalization Strategy and the Fight Against Poverty

# 6.1.1 Progress and Shortcomings in the Implementation of the Rural Vitalization Strategy

In October 2017, the implementation of the rural vitalization strategy was first proposed in the report of the 19th CPC National Congress. On January 2, 2018, the Central Committee of the Communist Party of China and the State Council

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issued the *Opinions on Implementing the Rural Vitalization Strategy*, which provides a top-level design of the objectives, tasks and paths of the rural vitalization strategy, and makes it clear that important progress will be made in rural vitalization by 2020, and that the institutional framework and policy system will be basically formulated. In June 2018, the Central Committee of the Communist Party of China and the State Council officially issued the *Strategic Plan for Rural Revitalization (2018–2022)*, which further clarified the objectives, key tasks and paths of implementing the rural vitalization strategy, and put forward a series of major projects, plans and actions.

On January 3, 2019, the Central Committee of the Communist Party of China and the State Council issued the Several Opinions on Prioritizing the Development of Agriculture and Rural Areas and Addressing Issues Related to Agriculture, Rural Areas and Farmers, which made overall arrangements for addressing issues relating to agriculture, rural areas and farmers while implementing the general policy of prioritizing the development of agriculture and rural areas and implementing the rural vitalization strategy. On April 15th, the Central Committee of the Communist Party of China and the State Council issued the Opinions on Establishing and Improving Sound Systems, Mechanisms and Policies for Integrated Urban-rural Development, making comprehensive arrangements for the institutional guarantee for the implementation of the rural vitalization strategy. On June 24th, the Political Bureau of the CPC Central Committee deliberated and approved the Regulations of the Communist Party of China on Rural Work, which clarified the general thinking, basic principles, organizational leadership, main tasks, team building, safeguard measures, assessment and supervision of the Party's rural work. The Standing Committee of the 13th National People's Congress revised the Law of Land Contract in Rural Areas and the Law of Land Administration. The Law on the Promotion of Revitalization of Rural Areas is also being formulated.

Under the guidance of two No. 1 Documents of the Central Committee in 2018 and 2019 and the Strategic Plan for Rural Vitalization (2018–2022), all ministries and commissions have successively issued a series of policy documents and programs to guide the implementation of the rural vitalization strategy, carried out pilot reforms and refined support policies to promote the implementation of the strategic plan for rural vitalization as soon as possible. All provinces (autonomous regions and municipalities directly under the Central Government) as well as cities and counties have also successively issued strategic plans for rural vitalization and their guiding opinions, and clarified the objectives, key tasks and implementation paths of rural vitalization strategies in various places. They also issued corresponding policies and measures. It thus clear that the rural vitalization strategy has made important progress since its implementation for more than two years, and its institutional framework and policy system have been basically established. On this basis, some pilot reform and major action plans are also being actively and orderly promoted, laying a solid foundation for the full implementation of the rural vitalization strategy in the next step. However, the current institutional framework and policy system have basically taken shape, but long-term unremitting efforts are needed to effectively implement the planning and policies. For some time in the future, we will stay focused on addressing

inadequacies and shoring up points of weakness according to the strategic plan for rural vitalization. These inadequacies and weak areas include:

(1) Inadequacies in rural infrastructure.

Remarkable results have been achieved in China's rural infrastructure construction, but there is still a distance to achieving the goal of the rural vitalization strategy, which is an inadequacy in rural revitalization.

First, poor management and protection of rural infrastructure.

In recent years, rural infrastructure projects including water supply, electricity supply and road network have been improved, but they remain in poor management and maintenance. First, more emphasis is placed on construction than on management and maintenance of projects. There is a universal phenomenon that local government tends to pay more attention to short-term construction of projects than to long-term effect gained through project maintenance. Upon completion, a project is not clarified with "who will manage and maintain it", because the village-level government can see it, but is not authorized to manage it while the district-level government is authorized to do so, but cannot see it. Second, the technical standards for project management and maintenance are not in place. In some areas, specific management and maintenance technologies for roads and river courses are less normative and in lack of uniform standards. Third, the management and maintenance team is not highly qualified. The existing staff of rural infrastructure management and maintenance team is too old and unskilled to provide effective management and maintenance of projects. In addition, low wage standards are not magnetic to talented people and will not provide potent support for local economic development.

Second, low quality of traffic facilities construction in rural areas.

Traffic facility is the most important infrastructure in rural areas. In recent years, with the promotion of new countryside construction and rural vitalization strategy, the rural road network has become more reasonable in structure, and the number of half-completed and impassable roads has diminished. However, the quality and level of rural transportation facilities generally remain low. First, more emphasis is placed on construction progress than on project quality. For many rural transportation projects, the construction progress is taken as the primary index, so that construction standards are overlooked in order to meet the project schedule. Second, more emphasis is placed on construction than on maintenance of project. Local governments pay more attention to the construction than to the maintenance of rural transportation facilities, resulting in serious loss of rural transportation facilities.

Third, low level of the gas supply and sanitation facilities in rural areas.

The water and gas supply facilities in rural areas are much poorer than those in urban areas. In 2018, the coverage rate of water supply in villages throughout the country was 77.69%, 20.67 percentage points lower than that in urban areas; however, the gas coverage rate in villages was only 28.59%, while that in cities reached 96.70%. More importantly, the level of rural sanitation facilities remains low and varies much from one region to another. In recent years, the garbage treatment and toilet renovation have been promoted rapidly during campaigns to improve rural living environments, but the sewage treatment has not raised high concerns. In 2017, the coverage rate of

sanitary toilets in rural areas reached 81.7%; in 2018, the sewage treatment rate of townships was only 18.75%, among which the centralized treatment rate of sewage plants was only 11.12%. In the same year, although the domestic garbage treatment rate of townships reached 73.18%, the harmless treatment rate was only 32.18%.

Forth, big gap between urban and rural IT applications.

In recent years, remarkable results have been achieved in China's rural IT applications, with great improvement made in the information infrastructure and the number of rural netizens increasing rapidly. By the end of 2018, 96% of China's administrative villages had access to optical network, and 95% of administrative villages were covered by 4G networks. However, there is a big gap between urban and rural IT applications. In 2018, the national rural Internet penetration was 38.4%,<sup>1</sup> far below the city and national averages. According to the 44th *Statistical Report on Internet Development in China*, as of June 2019, there were 225 million rural Internet users in China, accounting for only 26.3% of the total number of Internet users. However, the number of rural non-netizens accounted for 62.8% of the national total, indicating that there were more non-netizens in rural areas. According to the third national agricultural census data, only 47.8% of farmers used Internet mobile phones. Lack of using skills, limited education and low income level are the main reasons affecting the popularity of Internet in rural areas.

#### (2) Inadequacies in rural public services.

First, insufficient supply of rural public services.

Over the years, due to unitary source of supply and insufficient fund input, public services such as rural education, medical and health care, old-age care, culture and sports have been in short supply. In terms of education, in recent years, urban and rural compulsory education in counties has been rapidly promoted. By the beginning of 2019, 2,717 counties (accounting for 92.7%) in China had achieved basically balanced development of compulsory education, but the development of rural preschool education lagged far behind urban areas, showing the phenomenon of urban-rural polarization. In terms of medical and health care, 80% of the country's medical service resources were concentrated in cities, and the rural medical and health service system was not sufficient to benefit all farmers. There is still a certain gap between farmers' economic burden for medical advice and China's health development goal that "everyone has access to basic medical and health service" in 2020. In terms of old-age support, the rural old-age service mode remains unitary and short of service facilities and talents, and the social and cultural services in rural areas lag far behind. The coverage of nursing homes in rural communities is only 1/2 of that in cities, and that of retirement homes or daycare centers for the elderly is only 1/5 of those in cities.<sup>2</sup> In terms of culture, the rural public culture facilities receive less fund input, attract few talented persons, are in lack of activity venues and equipment, and are used less frequently or left unused. Moreover, the rural cultural work lacks original ideas, and the rural residents are less interested in cultural consumption. In the

<sup>&</sup>lt;sup>1</sup> Wei and Du (2019). http://www.scs.moa.gov.cn/gzdt/201911/p020191119505821675490.pdf.

 $<sup>^{2}</sup>$  Du and Wang (2019).

era of network and empty nest, the shortage and insufficient use of cultural facilities and the mismatch of resource space are the key problems facing the development of rural culture.

Second, low standard and level of social security in rural areas.

In 2014, medical insurance programs for China's rural residents and urban unemployed were merged into a single basic health insurance plan. However, due to the limited income level of farmers and their weak awareness of insurance, most of them are only willing to choose low-grade insurance, resulting in insufficient accumulation of personal account funds, limited payment amount and low-level security. Due to farmers' weak awareness of social security and indifference to get insurance, family security is currently the most important way of old-age insurance in rural areas, i.e. a family based on blood ties is still the strongest guarantee. However, as children are moving to cities, there is a phenomenon of vacant members in rural families, which has led to a serious problem that the elderly are left unattended. Some problems have not yet been fundamentally solved, such as the low level of rural medical security and service, and the difficulty and high cost for farmers to get medical treatment. In terms of social assistance, the subsistence allowance for rural residents is still not in place in most areas, and the assistance funds granted to rural recipients and people living dire poverty are far lower than allowances received by urban residents. In 2018, the average standard for rural minimum living guarantee was 402.8 yuan per person per month, 30.5% lower than that for urban residents; besides, the assistance fund granted to rural people living in dire poverty amounted to 6745.1 yuan, 36.7% lower than that granted to urban residents.

Third, fewer fund input in rural public services.

At present, nearly 40% of China's population still lives in rural areas. The fund input in rural public services such as science and technology education, medical care and public health, culture and sports, and environmental governance is much lower than that in urban public services. For example, insufficient funds for rural medical care and health have led to inadequate rural health resources, unreasonable structure of health resources allocation, and unbalanced development between urban and rural areas, which is difficult to meet the growing needs of rural residents for health services. The government grants more assistance funds to rural residents with disabilities and childless infirm rural residents receiving guarantees of food, clothing, medical care, housing and burial expenses; in the meantime, the insufficient input by the government in inclusive policy, rural old-age care and activity space construction has led to the shortage of old-age care services for the disabled and empty nesters. If population is taken as a reference, the per capita public service funds for rural residents are far lower than funds for urban residents. In 2016, the per capita health expenditure in rural areas was only 41.3% of that in urban areas. In 2018, the per capita investment in drainage facilities in villages across the country (calculated according to resident population) was only 15.7% of that in cities (calculated according to urban population), and the per capita investment in sewage treatment facilities was only 17.5% of that in cities.

#### (3) Shortage of science and technology and talents in rural areas.

The imperfect rural science and technology service system and the inadequate talent team are the key factors restricting rural vitalization. At present, the implementation of the rural vitalization strategy is faced with the shortage of talents. First, rural residents' scientific and cultural qualities remain low. In 2018, the rural illiterate population accounted for 8.07% of total population aged 15 and above, 12.17% of which were women, showing a slight uptrend. According to the third national agricultural census data, 91.7% of agricultural production and management personnel have received junior high school education or below, and 43.4% received primary school education or below. Second, serious shortage of countryside construction talents at all levels. At present, there is a serious shortage of practical talents in rural areas in China. Although the number of new-type professional farmers has grown rapidly in recent years, they account for a small proportion in rural employment and personnel. The insufficient supply of agricultural scientific and technical personnel and unreasonable professional skills and age structure, which are mostly found in county (districts) and township organization, have led to the fact that the establishment of rural public service team has lagged far behind, and that rural areas are short of middle and senior technical talents. In 2018, only 0.7% of the village clinic staff in China earned a bachelor degree or above, and only 0.6% obtained middle and senior professional and technical qualifications, 23.7% of whom were aged 60 and above. Rural old-age services are in serious shortage of medical, nursing, psychological counseling, social workers, management and other talents. Third, there are few efforts in cultivation of rural talents. At present, the training of rural talents mainly is focused on planting and breeding technology and operation management, which is difficult to meet the need of rural vitalization for diversified talents. At the same time, due to lack of platform, development opportunities and promotion channels, it is difficult for village government to recruit and retain competent personnel. Rural teachers, especially excellent teachers, are losing seriously, and rural doctors who gave up practicing medicine because of low income, high risk of practicing medicine and insecure old-age care.

(4) Inadequacies in rural environmental governance.

With the advancement of industrialization and urbanization, rural environmental problems represented by agricultural diffused pollution and poor rural living environment have become increasingly prominent. From the perspective of agricultural diffused pollution, China's agricultural products, especially grain products, are highly dependent on agricultural chemicals such as chemical fertilizers and pesticides. Long-term excessive use of pesticides and chemical fertilizers, large-scale use of plastic films and large-scale livestock and poultry breeding have led to serious problems such as cultivated land hardening, soil acidification and environmental pollution. Driven by national policies in recent years, the use of pesticides and fertilizers per hectare of cultivated land in China has begun to decline, and the level of resource utilization of agricultural wastes has also increased. However, the use of chemical fertilizers and pesticides per hectare of cultivated land is still far higher than the

world average, and it is not optimistic for China to contain agricultural diffused pollution. From the perspective of rural living environment, the ambient ugliness in rural areas has been initially solved in recent years, but the rural living environment is still unsatisfactory due to the long-term shortage of investment in rural construction. There is still much room for improvement in harmless treatment of rural domestic garbage and coverage rate of harmless toilets. Most farmers are using firewood and coal as energy, which cannot meet the growing needs of rural residents for a better life, compared with living conditions in urban areas.

### 6.1.2 Evaluation of the Agricultural and Rural Modernization Process in China

President Xi Jinping once said that "the modernization of agriculture and rural areas is the general goal of the rural vitalization strategy". Implementing the rural vitalization strategy and accelerating the modernization of agriculture and rural areas are important strategic tasks related to the great rejuvenation of the Chinese nation and building China into a strong, modern socialist country. In response to phased objectives of the rural vitalization strategy and in accordance with the National Strategic Plan for Rural Vitalization (2018-2022) issued by the CPC Central Committee and the State Council and the general requirement of the rural vitalization strategy for "building rural areas with thriving businesses, pleasant living environment, social etiquette and civility, effective governance, and prosperity", the goals of agricultural and rural modernization are divided into the goal of basically realizing agricultural and rural modernization by the year 2035 (hereinafter the "2035 goal") and the goal of fully realizing agricultural and rural modernization by the year 2050 (hereinafter the "2050 goal"). Standards for assessing five primary indicators and 30 secondary indicators (see Table 6.1) of rural industrial modernization, farmers' life modernization, rural ecological modernization, rural cultural modernization and rural governance modernization will be established to assess the process of agricultural and rural modernization in China from 2010 to 2018. For the convenience of evaluation, the process of China's agricultural and rural modernization is divided into three stages: the initial stage with the degree of agricultural and rural modernization below 50%, the middle stage with the degree of modernization ranging between 50 and 80%, and the late stage with the degree of modernization exceeding 80%.

(1) Evaluation of the realization degree of China's agricultural and rural modernization.

First, the overall realization degree of agricultural and rural modernization is expected to reach goals 2035 and goals 2050 as a whole according to the current pace of advancement.

To align with the 2035 goal or 2050 goal, the overall level of China's agricultural and rural modernization has entered the middle stage. According to target values

Primary indicators	Secondary indicators	Unit	Target value of basically realizing agricultural and rural modernization	Target value of fully realizing agricultural and rural modernization
I. Modernization of rural industries	1. Overall grain output	100 million tons	≥ 6.5	≥ 7
	2. Agricultural labor productivity	10,000 yuan/person	≥ 6.5	≥ 8
	3. Contribution of technological advances to growth in agricultural production	%	≥ 70	≥ 80
	4. Rate of mechanization in the plowing, sowing, and harvesting of major crops	%	≥ 85	≥ 95
	5. Proportion of aquaculture output value in total output value of agriculture, forestry, animal husbandry and fishery	%	≥ 50	≥ 65
	6. Effective coefficient of irrigative water utilization	1	≥ 0.75	≥ 0.9
	7. Proportion of the added value of agriculture, forestry, animal husbandry and fishery services in the added value of agriculture, forestry, animal husbandry and fishery	%	≥ 6.5	≥ 8

 Table 6.1
 Standards for assessing indicators for agricultural and rural modernization in China

Primary indicators	Secondary indicators	Unit	Target value of basically realizing agricultural and rural modernization	Target value of fully realizing agricultural and rural modernization
	8. Degree of integration of the primary, secondary and tertiary industries <sup>1</sup>	%	90	100
II. Modernization of farmers' lives	1. Per capita disposable income of rural residents	yuan	≥ 25,000	≥ 40,000
	2. Engel coefficient of rural residents	%	≤ 25	≤ 20
	3. Income ratio of urban and rural residents	In rural areas: 1 KWh/person	≤ 1.8	1
	4. Per capita electricity consumption of rural residents		≥ 3000	≥ 4000
	5. Penetration of rural Internet access	%	≥ 80	100
	6. Coverage rate of rural fuel gas	%	≥ 85	100
	7. Coverage rate of water supply in rural areas	%	98	100
III. Modernization of rural ecology	1. Coverage rate of harmless sanitary toilets in rural areas	%	≥ 95	100
	2. Amount of fertilizer used per hectare	Kg/ha	≤ 225	≤ 120
	3. Amount of pesticide used per hectare	Kg/ha	≤ 5.2	<u>≤</u> 4

Table 6.1 (continued)

Primary indicators	Secondary indicators	Unit	Target value of basically realizing agricultural and rural modernization	Target value of fully realizing agricultural and rural modernization
	4. Proportion of administrative villages with domestic sewage treated	%	≥ 90	100
	5. Proportion of administrative villages with domestic waste treated	%	≥ 95	100
	6. Percentage of agricultural hazards	%	<u>≤</u> 40	≤ 30
IV. Modernization of rural culture	1. Illiteracy rate in rural areas	%	≤ 2	≤ 1
	2. Average years of schooling of rural residents	Year	≥ 11	≥ 13
	3. Percentage of rural residents' consumption expenditure on culture, education and entertainment	%	≥ 18	≥ 20
	4. Percentage of civilized villages and towns at or above the county level <sup>1</sup>	%	≥ 80	100
V. Modernization of rural governance	1. Voter turnout of villagers in election	%	100	100
	2. Financial disclosure of village government affairs <sup>1</sup>	%	100	100

 Table 6.1 (continued)

Primary indicators	Secondary indicators	Unit	Target value of basically realizing agricultural and rural modernization	Target value of fully realizing agricultural and rural modernization
	3. Percentage of widowers, widows, orphans and childless couples supported <sup>1</sup>	%	100	100
	4. Number of practicing doctors per 1000 rural residents	person	≥ 3	≥ 4
	5. Number of nursing beds in medical institutions per rural 10,000 residents	bed	≥ 60	≥ 80

 Table 6.1 (continued)

*Note* <sup>1</sup>Means data deficiency, a secondary indicator obtained when all data are included in the evaluation of overall realization degree. However, due to the limitation of data availability, it cannot fully reflect the realization degree of primary indicators of rural governance modernization. Therefore, this chapter mainly evaluates the realization degree of four primary indicators, such as rural industrial modernization, rural ecological modernization, rural cultural modernization and farmers' life modernization. Some indicators, such as the average years of education of rural population, the income ratio of urban and rural residents, and the amount of chemical fertilizers and pesticides used per hectare, were established with reference to international experience and standards. Data in 2017 were used for indicators such as coverage rates of rural fuel gas, rural harmless sanitary toilets, rural illiteracy and voter turnout of villagers in election

*Source* Annually published China Statistical Yearbook, China Rural Statistical Yearbook, China Statistical Yearbook on Environment, China Population and Employment Statistics Yearbook, and China Urban–Rural Construction Statistical Yearbook as well as the Ministry of Agriculture and Rural Affairs website, and the Ministry of Water Resources website.

of the 2035 goal, the realization degree of agricultural and rural modernization in 2018 was 66.1%, increasing by about 3.5% annually since 2010 if calculated at the compound annual growth rate. According to target values of the 2050 goal, the realization degree of agricultural and rural modernization in 2018 was 54.2%, rising by about 3.6% annually since 2010 if calculated at the compound annual growth rate. Based on the average annual growth rate from 2011 to 2018, China will basically achieve the target value of agricultural and rural modernization by 2035 and fully realize the target value of agricultural and rural modernization by 2050. However, some important sub-indicators or key indicators may lag behind, which may hinder the realization of the goals of agricultural and rural modernization. It is therefore

necessary to further analyze the realization degree of the primary and secondary indicators.

Second, of four primary indicators, the rural industrial modernization was realized at the highest degree, while the rural ecological modernization and rural cultural modernization were realized at a lower degree.

When the 2035 goal is taken as a reference standard to evaluate the basic realization degree of all primary indicators of agricultural and rural modernization, the following indicators have entered a mid-term stage in 2018: rural industrial modernization (75.2%), farmers' life modernization (65.2%), rural ecological modernization (61.5%) and rural cultural modernization (52.8%). Of four primary indicators, the rural industrial modernization was realized at the highest degree, with a smallest gap to the 2035 goal, while the rural cultural modernization saw a biggest gap to 2035 goal, which is the most salient weak point. When goals 2050 were taken as the reference standard, the rural industrial modernization was realized at the highest degree, and the rural cultural modernization was done at the lowest degree. In 2018, the rural industrial modernization (64.2%) and farmers' life modernization (50.3%) entered the mid-term stage, while the rural ecological modernization (49.3%) and rural cultural modernization (42.8%) were only in the initial stage. For long-term goals, the farmers' life modernization is advancing rapidly, indicating a substantial increase of the per capita disposable income of rural residents, significant improvement of the living conditions such as the coverage rate of rural water supply, and huge potentials for improving the modernization level of farmers' life in the future. The process of rural cultural modernization lags behind because of the slow improvement of rural residents' cultural quality and the lack of cultural and entertainment consumption capacity and level. In the long run, improving the popularity and accessibility of public services in rural areas will become an important direction of future rural policies (Fig. 6.1).

(2) Evaluation of the realization degree of China's agricultural and rural modernization by indicators.

First, the primary indicator "rural industrial modernization" consists of many favorable items, and other three primary indicators comprise many unfavorable items.

Taking goals 2050 as the reference standard, we found that the realization degree of rural industrial modernization is obviously higher than other three primary indicators, and the realization degree of overall grain output is the highest (94.0%), which has become an important advantageous item to maintain the level of rural industrial modernization (see Table 6.2). Although the voter turnout of villagers in election is higher, this indicator cannot reflect the overall level of rural governance, so the capability and level of rural governance need to be improved urgently at present. Three primary indicators, such as farmers' life modernization, rural ecological modernization and rural cultural modernization, have a close degree of realization, but they contain laggard items, e.g. the rural per capita disposable income (36.5%), income ratio of urban and rural residents (37.2%) and rural fuel gas coverage rate (27.0%) in indicators for farmers' life modernization, the amount of chemical fertilizer per hectare (35.2%) and proportion of administrative villages with domestic sewage

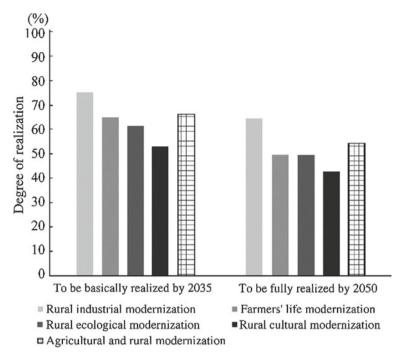


Fig. 6.1 Evaluation of the realization degrees of agricultural and rural modernization by indicators and stages

treated (20.0%) in indicators of rural ecological modernization, and the rural illiteracy rate (12.6%) in indicators for rural cultural modernization. These secondary indicators have reduced the realization degree of the primary indicators. In order to realize the overall rural vitalization and accelerate the pace of agricultural and rural modernization, we need to find out specific problems in all unfavorable items and existing gap.

Second, according to the 2035 goal, the realization degree of most secondary indicators has entered the middle and late stage. According to the 2050 goal, 11 secondary indicators need to be paid special attention to.

In accordance with the goal of basically realizing agricultural and rural modernization by the year 2035, the results of secondary indicators evaluation (see Table 6.3) suggest that 6 indicators, including overall grain output, have entered the late stage, 17 indicators, including agricultural labor productivity, have entered the middle stage, and 3 indicators, including rural illiteracy rate remain in the infancy. According to the current progress, an overwhelming majority of indicators can reach the target value of basically realizing agricultural and rural modernization by the year 2035, but several secondary indicators have lagged behind, such as the rural infrastructure (fuel gas coverage rate), rural ecological environment (proportion of administrative villages with domestic sewage treated) and degree of education (rural illiteracy rate),

Primary indicators	Secondary indicator	s	Degree of realization
Rural industrial	Favorable items	Overall grain output	94.0
modernization	Unfavorable items	Agricultural labor productivity	41.6
Farmers' life modernization	Favorable items	Engel coefficient of rural residents	66.5
		Coverage rate of rural water supply	81.0
	Unfavorable items	Disposable income of rural residents	36.5
		Income ratio of urban and rural residents	37.2
		Coverage rate of rural fuel gas	27.0
Rural ecological modernization	Favorable items	Proportion of administrative villages with domestic waste treated	75.0
	Unfavorable items	Amount of fertilizer used per hectare	35.2
		Amount of pesticide used per hectare	44.1
		Proportion of administrative villages with domestic sewage treated	20.0
Modernization of rural governance	Favorable items	Voter turnout of villagers in election	90.6
Rural cultural modernization	Unfavorable items	Rural illiteracy rate	12.6

**Table 6.2** Favorable and unfavorable items of agricultural and rural modernization with referenceto goals 2050 (Unit: %)

which are the key aspects that need to be paid attention to when the goal of agricultural and rural modernization is basically realized in the moderately prosperous society.

According to the goal of fully realizing agricultural and rural modernization by the year 2050, three indicators such as overall grain output have entered the late stage, 13 indicators such as contribution rate of contribution of technological advances to growth in agricultural production have entered the middle stage, and 10 indicators such as rural illiteracy rate are in the initial stage. The comparison of the basic realization degree of all secondary indicators by 2035 and by 2050 has concluded 7 indicators, have returned from the mid-term stage to the initial stage, including agricultural labor productivity, per capita disposable income of rural residents, income

ratio of urban and rural residents, per capita electricity consumption of rural residents, amount of chemical fertilizers used per hectare, amount of pesticide used per hectare, and number of practicing doctors per thousand rural population. In the process of fully realizing agricultural and rural modernization after 2020, if these indicators are not handled well, they may affect the overall process of agricultural and rural modernization.

From the above evaluation results, in the medium and long term, the key problems to be dealt with in promoting agricultural and rural modernization are mainly reflected in 10 secondary indicators in the initial stage. In reference to rural industrial modernization, we need to continuously improve the agricultural labor productivity. In reference to farmers' life modernization, we will step up efforts to develop rural areas by urban advancement, increase farmers' income, and narrow the gap between urban and rural residents' income and infrastructure (electricity and gas). In reference to rural ecological modernization, we need to improve the effective utilization of resources, reduce the use of pesticides and fertilizers, and strengthen the treatment of rural domestic waste and sewage. In reference to rural cultural modernization, we need to comprehensively improve the cultural quality of rural population, especially those with low education level, and continue to increase investment in rural education. In reference to rural governance modernization, we need to further improve rural medical and health conditions, and ensure equitable access to basic public services between urban and rural areas.

Third, guided by the prospect of rural vitalization in all respects, agricultural and rural modernization is characterized by typical stages from "strong agriculture" to "rich farmers" and then to "beautiful countryside".

From the current trend of national development, rural industrial modernization is the most important driving force for agricultural and rural modernization; in particular, indicators such as overall grain output, contribution of technological advances to growth in agricultural production, and rate of mechanization in the plowing, sowing,

Rate of progress		Number of indicators	Indicator name
To be basically realized by 2035	Late stage (over 80%)	6	Overall grain output, contribution of technological advances to growth in agricultural production, rate of mechanization in the plowing, sowing, and harvesting of major crops, Engel coefficient of rural residents, coverage rate of rural water supply, and voter turnout of villagers in election

Table 6.3 Evaluation of secondary indicators of agricultural and rural modernization by stages

Rate of progress		Number of indicators	Indicator name
	Mid-term stage (50–80%)		Agricultural labor productivity, percentage of aquaculture output value in total output value of agriculture, forestry, animal husbandry and fishery, effective coefficient of irrigative water utilization, percentage of added value of agriculture, forestry, animal husbandry and fishery services in added value of agriculture, forestry, animal husbandr and fishery, per capita disposable income of rura residents, income ratio of urban and rural residents, per capita electricity consumption of rural residents, penetration of rural Internet access, coverage rate of harmless sanitary toilets in rural areas, amount of chemica fertilizers used per hectare, amount of pesticide used per hectare proportion of administrative villages with domestic waste treated, agricultural disaster rate, average years of education of rura population, percentage of rural residents' consumer spending in culture, education and entertainment, number of practicing doctors per thousand rural population number of nursing beds in medical institutions per 10,000 rural people

### Table 6.3 (continued)

Rate of progress		Number of indicators	Indicator name
	Initial stage (0–50%)	3	Coverage rate of rural fuel gas, proportion of administrative villages with domestic sewage treated, and rural illiteracy rate
To be fully realized by 2050	Late stage (over 80%)	3	Overall grain output, coverage rate of rural water supply, and voter turnout of villagers in election
	Mid-term stage (50–80%)	13	Contribution of technological advances to growth in agricultural production, rate of mechanization in the plowing, sowing, and harvesting of major crops, percentage of aquaculture output value in total output value of agriculture, forestry, animal husbandry and fishery, percentage of added value of agriculture, forestry, animal husbandry and fishery services in added value of agriculture, forestry, animal husbandry and fishery services in added value of agriculture, forestry, animal husbandry and fishery services in added value of agriculture, forestry, animal husbandry and fishery, effective coefficient of irrigative water utilization, Engel coefficient of rural residents, penetration of rural Internet access, coverage rate of harmless sanitary toilets in rural areas, proportion of administrative villages with domestic waste treated, agricultural disaster rate, average years of education of rural population, percentage of rural residents' consumer spending in culture, education and entertainment, and number of nursing beds in medical institutions per 10,000 rural people

### Table 6.3 (continued)

Rate of progress		Number of indicators	Indicator name
	Initial stage (0–50%)	10	Agricultural labor productivity, per capita disposable income of rural residents, income ratio of urban and rural residents, per capita electricity consumption of rural residents, coverage rate of rural fuel gas, amount of chemical fertilizers used per hectare, amount of pesticide used per hectare, proportion of administrative villages with domestic sewage treated, illiteracy rate in rural areas, number of practicing doctors per thousand rural population

Table 6.3 (continued)

*Note* In this table, data of 2019 were used to calculate the realization degree of secondary indicators, such as the overall grain output, per capita disposable income of rural residents, and income ratio of urban and rural residents

and harvesting of major crops have increased significantly, and some indicators are close to the level of developed countries. On the premise of ensuring food self-sufficiency, taking the target of 2035 as reference, rural industrial modernization with agricultural modernization at its core will become the most prominent feature of basically realizing agricultural and rural modernization with the accelerating adjustment of agricultural structure and continuous improvement of development quality.

Compared with rural industrial modernization, the realization degree of farmers' life modernization and rural ecological modernization is on the low side. The goal of implementing the rural vitalization strategy is to "revitalize the countryside in all respects, and rural areas should have strong agriculture, a beautiful countryside and well-off farmers" by the year 2050. The three goals of "strong agriculture", "beautiful countryside" and "well-off farmers" are advanced at the same time; however, due to differences in the existing process and progressing speed, the time nodes of realizing the target values of agricultural and rural modernization have represented a phased change from "strong agriculture" to "well-off farmers" and then to "beautiful countryside". According to the average annual growth rate from 2011 to 2018, the year of realizing the 2050 target values of rural industrial modernizationis about 7-8 years earlier than the year of realizing the target value of rural ecological modernization, while the year of realizing the target value of farmers' life modernization will be slightly earlier than the year of realizing rural ecological modernization. This reflects the ladder-like characteristics of agricultural and rural modernization, and the difficulty lies in realizing "well-off farmers" and "beautiful countryside".

### 6.1.3 Achievements and Challenges of the Fight Against Poverty

China's poverty reduction goal by 2020 can usually be expressed as eliminating absolute poverty under the current standards, which is the minimal goal for building a moderately prosperous society in all respects. During the "13th Five-Year Plan" period, China carried out anti-poverty action for five consecutive years. According to the progress by the end of 2019, China will achieve the goal of winning the tough fight against poverty as scheduled in 2020, but it will face challenges such as preventing some rural residents from returning to poverty after the fight, consolidating and upgrading achievements in poverty alleviation, and the new task of poverty governance transition.

(1) Overall achievements in the fight against poverty.

First, removing all remaining counties from the country's poverty list, and achieving the goal of eliminating absolute poverty under the current standards by 2020.

When the 18th National Congress of the Communist Party of China was held at the end of 2012, the rural poverty incidence under the current standards in China was still as high as 10.2%, with 98.99 million rural poor people and 832 poverty-stricken counties, including key counties for poverty alleviation and development and counties in contiguous poor areas. By the end of 2015, the incidence of rural poverty dropped to 5.7%, and the number of poor people decreased to 55.75 million. Since 2016, China has gradually registered poverty-stricken people, villages and counties as living in poverty, and removed them from the country's poverty list. The number of impoverished people has dropped by more than 11 million every year, and the number of poverty-stricken counties removed from the country's poverty list has increased year by year. The incidence of rural poverty dropped to 1.7% by the end of 2018, up to the poverty eradication standard of less than 3% as defined by the World Bank. By the end of 2019, the incidence of rural poverty dropped to 0.6% (see Table 6.4).

The goal of China's fight against poverty is also part of the goals of the United Nations Agenda 2030 for Sustainable Development. Existing research shows that China's current poverty standard is significantly higher than the World Bank's poverty standard of 1.9 USD/day for assessing absolute poverty.<sup>3</sup> If measured by the World Bank standard, the scale and incidence of poverty in China have declined faster over the years. The World Bank usually sets the proportion of poor people below 3% as the goal of poverty eradication. In 2013, the incidence of poverty in China under the World Bank standards dropped from 6.5% in the previous year to 1.9%, achieving the goal of eliminating absolute poverty.<sup>4</sup> In 2017, China's national poverty incidence measured by its poverty standard dropped to 2.2%, achieving the goal of eliminating absolute poverty. By the end of 2019, the incidence of rural poverty dropped to 0.6%

<sup>&</sup>lt;sup>3</sup> Topic Group of Rural Development and Research Institute (2017).

<sup>&</sup>lt;sup>4</sup> This is the incidence rate of poverty in China, and the population base is the total population of China, with 1.357 billion people in 2013.

	Number of impoverished people decreased that year ('0000 persons)	Number of poverty-stricken counties that have been removed from the poverty list (county)	Number of people who had not shaken off poverty at the end of the year ('0000 persons)	Number of poverty-stricken counties that have not been removed from the poverty list (county)	Poverty incidence at the end of the year (%)
2015	1,442	-	5575	832	5.7
2016	1,240	28	4335	804	4.5
2017	1,289	125	3046	679	3.1
2018	1,386	283	1660	396	1.7
2019	1,109	344	551	52	0.6

 Table 6.4
 Poor Residents and Counties Lifted Out of Poverty in China Since 2016

Source Poverty Monitoring Report of Rural China 2019; Media reports

(see Fig. 6.2). The poverty alleviation level that China will achieve in 2020 is the contribution to the world poverty eradication goal with higher standards.

Second, income and consumption of farmers and people registered as living in poverty in poverty-stricken areas have improved faster.

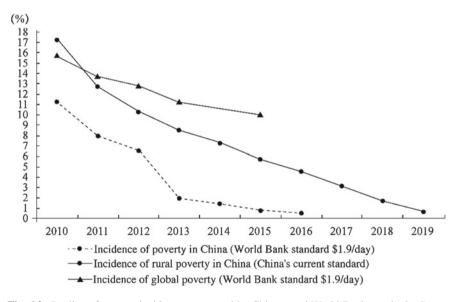


Fig. 6.2 Decline of poverty incidences measured by Chinese and World Bank standards. *Source Poverty Monitoring Report of Rural China* in the past years; World Development Indicators database of the World Bank (https://databank.worldbank.org/); The incidence of rural poverty in China in 2019 from the website of the National Bureau of Statistics (http://www.stats.gov.cn/jsjjd/202001/ 120200123.1724700.html)

Year	Per capita dispo farmers (yuan)	osable income of	Nominal growth rate of disposable income (%)		Income ratio (%) (poverty-stricken	
	National level	Poverty-stricken areas	National level	Poverty-stricken areas	areas areas/national level)	
2015	11,422	7653	8.9	11.7	67.0	
2016	12,363	8452	8.2	10.4	68.4	
2017	13,432	9377	8.6	10.9	69.8	
2018	14,617	10,371	8.8	10.6	71.0	
2019	16,021	11,567	9.6	11.5	72.2	

 
 Table 6.5
 Comparison of per capita disposable incomes of farmers in poverty-stricken areas and the national average from 2015 to 2019

*Source China Rural Poverty Monitoring Report of Rural China* in the past years: The data from 2018 to 2019 were available on the website of the National Bureau of Statistics

One of the important goals of the fight against poverty is that the per capita disposable income of farmers in poverty-stricken areas will increase faster than the national average. From 2015 to 2019, this goal has been achieved every year, making the ratio of per capita disposable income of poverty-stricken areas to rural residents in China climb from 67.0 to 72.2%. The per capita disposable income of farmers in poverty-stricken areas exceeded 10,000 yuan for the first time in 2018 and exceeded 11,000 yuan in 2019 (see Table 6.5). At the same time, the per capita consumption level of farmers in poverty-stricken areas has also grown steadily. From 2014 to 2017, the annual growth rate ranged from 6,007 yuan to 7998 yuan, rising by more than 600 yuan every year. The consumption structure has been optimized, and the basic consumer spending on food and clothing has increased steadily. The improved consumer spending on transportation and communication, education, culture and entertainment, and medical care has increased rapidly.<sup>5</sup> The income data of people who are registered as living in poverty were not published, but limited data indicated that the income level of poverty-stricken households is almost close to the average level of per capita income of farmers in poverty-stricken areas, and the per capita net income of the remaining poor population also reached more than 3,700 yuan in 2017, which obviously exceeded the threshold income level of poverty alleviation.

Third, deep poverty-stricken areas are working hard to achieve the basic goal of poverty alleviation.

The deeply impoverished areas in China have two calibers: (1) "three regions (Tibet, the Tibetan ethnic areas of Sichuan, Yunnan, Gansu and Qinghai provinces, and the four prefectures in southern Xinjiang (Hotan, Aksu, Kashi and Kizilsu Kirgiz Autonomous Prefecture)) and three prefectures (Liangshan Yi Autonomous Prefecture in Sichuan, NujiangLisu Autonomous Prefecture in Yunnan and LinxiaHui

<sup>&</sup>lt;sup>5</sup> Household Survey Office of National Bureau of Statistics (2018).

	Number of counties (county)	Number of people lifted out of poverty ('0000 persons)	Number of poverty-stricken people ('0000 persons)	Incidence of poverty (%)
"Three regions and three prefectures"	209	133	172	8.2
Deeply impoverished counties	334	480	627	6.1
Deeply impoverished counties aside from "three regions and three prefectures"	199	_	467	5.6

Table 6.6 Progress in poverty alleviation in deeply impoverished areas by the end of 2018

*Source* "Summary of Achievements of the Fight against Poverty in Deeply Impoverished Areas", Xinhuanet, http://www.xinhuanet.con//2019-09/08/e\_1124974418.html, September 8, 2019; "Why Is It Difficult to Reduce Poverty in Deeply Impoverished Areas? An Answer Given by the National Administration for Rural Revitalization", guangming.com, http://politics.gmw.cn/2019-06/26/con tent\_32951305.html, September 26, 2019

Autonomous Prefecture in Gansu)", in which most of counties are most impoverished, and there are also ordinary poverty-stricken counties and non-poverty counties, and (2) deeply impoverished counties are defined by poverty incidence of 19%, totaling 334 counties, more than half of which are aside from "three regions and three prefectures". In 2018, 4.8 million people were lifted out of poverty from 334 deeply impoverished counties, with the incidence of poverty falling by 4.9 percentage points from 11 to 6.1% (see Table 6.6).<sup>6</sup> In 2019, significant progress was made in poverty alleviation in deeply impoverished areas. The number of poverty-stricken people in "three regions and three prefectures" decreased from 1.72 million to 430,000, and the incidence of poverty decreased from 8.2 to 2%, thus crossing the threshold of 3%.<sup>7</sup>

Forth, the quality of life and the level of basic public services enjoyed by rural residents have improved continuously.

The fight against poverty has continuously improved the quality of life and basic public services enjoyed by farmers in poverty-stricken areas, especially former impoverished people. In counties that have been removed from the country's poverty list, the per capita net income of farmers is higher than the average increase of

<sup>&</sup>lt;sup>6</sup> "Fight with all your might, attack with all your might—A summary of the achievements of poverty alleviation in deep poverty areas", September 26, 2019, Xinhuanet, http://www.xinhuanet. com//2019-09/08/c\_1124974418.htm.

<sup>&</sup>lt;sup>7</sup> "2019 National Poverty Alleviation and Development Work Conference Held in Beijing", December 10, 2019, the website of the State Council Poverty Alleviation Office, http://www.cpad.gov.cn/art/2019/12/20/art\_61\_108746.html.

farmers' income in the province. All poverty-stricken villages that have been registered as living in poverty now have access to hardened roads, supply of electricity and communication networks, and basic medical service facilities, educational facilities and safe drinking water. All households that have been registered as living poverty now have no worries about food and clothing, compulsory education, basic medical care and housing security. According to poverty monitoring data provided by the National Bureau of Statistics, the proportion of farmers living in bamboo or grass adobe houses in poverty-stricken areas has fallen continuously; the proportion of farmers who have access to tap water through pipelines has continued rising; and the proportion of farmers with basic health service facilities has exceeded 90%, and the proportion of farmers who can go to school nearby is approaching 90%.

(1) Challenges facing the fight against poverty.

According to current progress of poverty alleviation, there is no doubt that the task of poverty alleviation will be completed by the end of 2020, but there are still some challenges in the fight against poverty with high quality. Part of the challenges come from practical problems during the fight, and more are concerning how to ensure stable life of those lifted out of poverty after winning the fight and the smooth transformation of poverty alleviation system and mechanism.

During the fight against poverty, that is, in the remaining days of 2020, there are challenges ahead. First, the strict requirement for lifting every impoverished person out of poverty seems difficult to meet because of weak development foundation of some areas and groups, especially some deeply impoverished areas. Even in a normal society, there will always be a certain proportion of people returning to poverty, becoming poor and getting impoverished due to laziness. The requirement for lifting every impoverished person out of poverty will also play a "double-edged sword" role in grass-roots practice, which not only encourages local governments to intensify poverty alleviation work, but also triggers short-term anti-poverty measures. Second, in practice, there are some hidden dangers of vulnerability in poverty alleviation, especially when the follow-up resettlement of relocated households is not in place, and the measures for poverty alleviation and public welfare jobs in some industries are unstable. Third, some poverty-stricken counties have encountered debt pressure to shake off poverty, and some even borrowed extra money to carry out infrastructure construction and poverty-alleviation relocation. Fourth, compared with investment in poverty alleviation, more efforts are made to achieve the bottom-line goal of reaching poverty alleviation standards than to lead impoverished people toward prosperity after shaking off poverty. Fifth, the COVID-19 epidemic since December 2019 has had a certain impact on poverty alleviation in some poverty-stricken areas, especially on project commencement, migrant workers going out for employment, industrial development and product sales.

More challenges in poverty alleviation lie in how to prevent falling back to poverty and consolidate the achievements of poverty alleviation after the fight against poverty. Specifically, main challenges after the end of poverty alleviation can be summarized in the following four aspects. (1) If the existing measures and achievements of poverty alleviation through developing industries and providing jobs cannot continue, they

will have a serious negative impact on sustained poverty alleviation, including but not limited to: all kinds of newly formed poverty alleviation industries, collective assets, investment of poverty alleviation funds in other industries and assets, such as photovoltaics, poverty alleviation workshops and factories, interest connection between registered poverty households and enterprises formed through poverty alleviation policies, employment services, public welfare jobs, and maintenance of rural production and living facilities. (2) About 9 million poor people are identified through the current precise poverty alleviation mechanism and the filing and establishment card system, and most of them can achieve stable poverty alleviation. The significance of the retention is mainly to continuously monitor and further consolidate the poverty alleviation achievements, but it has great limitations on the expansion of newly determined assistance targets. (3) China will enter the stage of solving the problem of relative poverty. Whether it adopts the relative poverty standard corresponding to the median income ratio or adopts a higher poverty standard measured in absolute value, the nature of poverty has changed. We will make adjustments in our anti-poverty strategy, extraordinary poverty alleviation system, poverty alleviation policies and measures, but we must face the challenge of effectively linking of the achievements of poverty alleviation with rural vitalization and effective transition to the next stage of anti-poverty strategy and policy. Fourth, the current definition and standard of poverty are applicable during the fight against poverty, but after the end of the fight, there will emerge such limitations as low standard and narrow scope of the current definition and standard.

# 6.2 Strategic Approach and Goals of Rural Vitalization and Anti-Poverty

After 2020, in the new journey towards building a modern socialist country in an all-round way, we will implement a new anti-poverty strategy on the basis of consolidating the achievements of previous poverty alleviation work, and also make efforts to fully implement the rural vitalization strategy. Therefore, after achieving the goal of fighting against poverty in 2020, we should gradually shift the focus of national "agriculture, rural areas and farmers" work from fighting against poverty to fully implementing the rural revitalization strategy, and gradually establish a long-term mechanism to promote rural revitalization and reduce relative poverty.

### 6.2.1 Overarching Approach and Goal of Rural Vitalization

(1) Mid-to-long-term strategic approach of rural vitalization.

The 14th Five-Year Plan is a period for consolidating achievements of poverty alleviation, and also a key period for implementation of the rural vitalization strategy after the realization of a well-off society in rural areas. In a long period of time in the future, we will prioritize the development of agriculture and rural areas to comprehensively deepen rural reform and promote rural vitalization of industry, talent, culture, environment, and organizational structures so as to achieve effective alignment of poverty alleviation with rural revitalization, comprehensively advance the rural vitalization strategy, and embark on the road of agricultural and rural modernization with Chinese characteristics, thus laying a solid foundation for basically realizing agricultural and rural modernization and equal access to basic public services between urban and rural areas in 2035.

First of all, we will comprehensively advance the rural vitalization strategy. At present, the institutional framework and policy system for implementing the rural vitalization strategy have basically taken shape. Therefore, in the future, we will deeply implement the No. 1 Documents of the Central Committee in 2018 and 2019 and the *National Strategic Plan for Rural Vitalization (2018–2022)*, further refine and implement relevant policies, and achieve vitalization of industry, talent, culture, environment, and organizational structures in rural areas. In accordance with the requirements of prioritizing the development of agriculture and rural areas, we will further increase support for agriculture, rural areas and farmers, establish a stable growth mechanism of government agriculture-related funds, and gradually expand the poverty alleviation institutional arrangements, policies and measures that have been proved to be effective to support rural vitalization for years. We will set about preparing the second five-year plan for rural vitalization, namely the *National Strategic Plan for Rural Vitalization (2023–2027)*.

Second, consolidating the foundation for the preliminary modernization of agriculture and rural areas. A good start of this work will lay a good foundation for basically realizing the modernization of agriculture and rural areas in 2035. Local governments should adopt a diversified approach to sequential advancement of the agricultural and rural modernization. The so-called sequential advancement means adjusting measures to local conditions and respecting development laws so as to prevent one local government from blindly comparing and keeping up with another, and to allow and encourage coastal economically developed areas, suburbs of big cities and other qualified areas to take the lead in basically realizing agricultural and rural modernization. At present, we consider establishing national innovation and development pilot zones for agricultural and rural modernization in different types of areas, and encourage them to boldly carry out institutional innovations and experiments in agricultural and rural modernization, so as to accumulate experience for other regions. The so-called diversified approach means that local governments should carry out bold reforms and innovations in accordance with their own conditions so as to step up and explore diversified models of agricultural and rural modernization. To modernize agriculture and rural areas, we must modernize our development and governance capacity. To accelerate the modernization of agriculture and rural areas, we must enhance our capacity to advance modernization of rural governance system and governance capacity.

Finally, we will implement the strategy of "promoting rural vitalization through reform" to advance such modernization. Reform and innovation is the main engine

for rural vitalization. Rural reform will be carried out in all respects to constantly improve institutional mechanisms, legal systems and policy systems, activate factors, players and market, fully stimulate the internal vitality of rural development, build a modern rural industrial system with different characteristics and competitiveness, and promote the formation of a long-term mechanism for stable income increase of farmers and comprehensive rural vitalization. In particular, we will activate land elements and take policy innovation of agricultural facilities land and rural industrial land as core, to provide kinetic energy for modern agriculture and rural industries. At the same time, we will strengthen the leading role of the Party in rural vitalization, establish and improve the institutional mechanism and assessment mechanism for the rural vitalization work of the five-level party secretary (provincial, municipal, county, township and village).

#### (2) Mid-to-long-term objectives of rural vitalization.

After building a moderately prosperous society in all respects in 2020, we will step up efforts in implementation of the rural vitalization strategy while consolidating the achievements of building a moderately prosperous society in all respects and winning the fight against poverty. To achieve the goal of agricultural and rural modernization and the purpose of high-quality development, we will make up shortcomings, adjust structure, carry out reform and promote vitalization, so as to improve the institutional framework and policy system of rural vitalization by 2025, and carry out rural vitalization in all respects.

First, we should better safeguard food security. The national food security safeguard capacity has been further consolidated, and the level of food quality and safety has been significantly improved. In order to meet the requirements of "absolute safety of grain rations and basic self-sufficiency of grain", the national comprehensive grain production capacity should continue to be stable at more than 600 million tons.

Second, a modern rural industrial system is basically formed. We have perfected the modern agricultural system, advanced the green development of agriculture, and furthered agricultural modernization. We have also boosted development of rural emerging industries, formed the pattern of industrial integration, and improved the level of industrial integration. By 2025, the contribution of technological advances to growth in agricultural production will reach about 64%, and the comprehensive mechanization rate of crop sowing and harvesting will reach up to 75%.

Third, farmers' income and living standards have been improved. A long-term mechanism for farmers' sustained and rapid income growth and steady income increase is in place, and farmers' living standards have improved significantly. The income growth rate of rural residents continues to be higher than that of urban residents, and the income gap between urban and rural residents has been greatly narrowed. By 2025, the income ratio of urban and rural residents will drop below 2.45, and the Engel coefficient of rural households will drop below 28.5%.

Fourth, basic public services are available to urban and rural residents. Investment in rural public services has grown rapidly. A unified urban and rural public service system and social security system are in place. Significant progress has been made in the equalization of urban and rural basic public services, and the level of urban– rural integration has been improved substantially. By 2025, the urban and rural basic public service standards and systems will have been unified throughout the country.

Fifth, rural infrastructure and living environment have been improved in all respects. With better rural infrastructure and a long-term management and protection mechanism in place, the living environment in rural areas has been significantly improved. As the total amount and intensity of chemical fertilizers and pesticides are greatly reduced, the agricultural non-point source pollution has been put under effective control. By 2025, the coverage rate of harmless sanitary toilets in rural areas will have exceeded 90%, and the proportion of administrative villages with domestic waste treated will have reached up to 95%.

Sixth, the rural governance capacity has improved markedly. The construction of rural organizations with Party organizations as their core has been further strengthened, playing increasingly important role. The modern rural governance system is in place to enhance the rural governance capacity and comprehensive emergency response capacity, which has produced a number of rural good governance models with different characteristics.

(3) Agricultural and rural modernization basically realized in districts where the conditions permit.

China's regional development levels are quite different. The time frames for realizing the goal of agricultural and rural modernization in different regions cannot be uniform, as some developed regions have the conditions to take the lead in realizing the goal of agricultural and rural modernization. As for the two-stage process of agricultural and rural modernization, this paper discusses whether some developed coastal areas are well conditioned to basically realize the goal of agricultural and rural modernization the pioneer area and demonstration area of agricultural and rural modernization in China.

As you can see, some core indicators in Beijing, Tianjin, Shanghai, Jiangsu, Zhejiang and other places have achieved the target value of basic modernization of agriculture and rural areas in 2035 ahead of schedule. The most prominent indicators are the average years of education of rural population in Beijing (9.66 years), the income ratio of urban and rural residents in Tianjin (1.86:1), the per capita disposable income of rural residents in Shanghai (30,375 yuan), the agricultural labor productivity in Jiangsu Province (53,978 yuan/person), and the coverage rate of harmless sanitary toilets in rural areas of Zhejiang Province (98.55%).<sup>8</sup> The above areas feature a relatively high development level of urban–rural integration and a higher realization degree of agricultural and rural modernization in various fields.

Therefore, we have selected some key indicators of agricultural and rural modernization, such as agricultural labor productivity, per capita disposable income of rural

<sup>&</sup>lt;sup>8</sup> The average years of education of rural population in Beijing and agricultural labor productivity in Jiangsu province are the data of 2017, the income ratio of urban and rural residents in Tianjin, the per capita disposable income of rural residents in Shanghai and the popularization rate of harmless sanitary toilets in rural areas in Zhejiang province are the data of 2018.

residents, and income ratio of urban and rural residents, to make a national comparison in line with the goal of basically realizing socialist modernization by the year 2035 (see Table 6.7). On the whole, the overall performance of Beijing, Tianjin, Shanghai, Jiangsu and Zhejiang is still outstanding. In terms of rural industrial modernization, in 2017, 25 provinces were lower than the national average level of agricultural labor productivity, while only Jiangsu province's agricultural labor productivity exceeded 50,000 yuan/person. In terms of modernization of farmers' lives, the per capita disposable income of rural residents in Shanghai in 2018 was three times that of Gansu and Guizhou, and the income ratio of urban and rural residents in Tianjin was less than 2:1. In terms of rural cultural modernization and rural ecological modernization, the rural medical care, education and other public service conditions in the eastern developed areas are obviously better than those in other areas. At the same time, the coverage rate of harmless sanitary toilets in rural areas and the proportion of administrative villages with domestic garbage treated are higher, indicating that these areas have stronger ecological governance capacity. On the whole, indicators such as agricultural labor productivity, income ratio of urban and rural residents and average years of education of rural population are prominently weak indicators. At present, none of these indicators have reached the target value for the year 2035, so they deserve our special attention.

In order to further examine above analysis results and comprehensively investigate the possibility of realizing basic modernization of agriculture and rural areas in 2035 ahead of schedule in some areas, we used the evaluation index system and the method of realizing agricultural and rural modernization in China to make a horizontal comparison between different regions and the whole country. As the comparison by province is limited by data, indicators such as the contribution rate of agricultural scientific and technological progress, the per capita electricity consumption of rural residents and the amount of pesticides used per hectare were not included in the calculation; meanwhile, with different orientation of the main grain producing areas and the main selling areas, we deleted the index of grain output capacity in the comparison by provinces. Finally, 22 indicators were applied (26 were applied in nationwide calculation),<sup>9</sup> and the results were illustrated in Fig. 6.3. According to the regional ranking of basically realizing agricultural and rural modernization, 9 regions are higher than the national overall level, including Beijing, Tianjin, Shanghai, Jiangsu, Zhejiang, Shandong, Hunan, Guangdong and Hainan. Top five regions are Shanghai, Jiangsu, Zhejiang, Beijing and Tianjin, which is similar to the evaluation results of the overall index of China Rural Development Index 2019 published by the Institute of Rural Development of Chinese Academy of Social Sciences, but the ranking order of top five regions is slightly different, so it is believed that the results are highly credible.

<sup>&</sup>lt;sup>9</sup> In order to maintain consistency and comparability, agricultural labor productivity, rural Internet household rate, rural gas penetration rate, rural water supply penetration rate, rural harmless sanitary toilets penetration rate, rural population's average years of education, participation rate of villagers in participating villages, etc. are based on 2017 data. The proportion of administrative villages that treat domestic sewage and domestic garbage is based on 2016 data, and the rest is based on 2018 data, the same as below.

2055			
Key indicators	Regions closest to the target value (sorted by top three of the closest)	Regions with the largest gap with the target value (sorted by top three regions)	Number of regions with target value achieved
Agricultural labor productivity	Jiangsu, Zhejiang, Hainan	Shanxi, Gansu, Xizang	0
Per capita disposable income of rural residents <sup>b</sup>	Shanghai, Zhejiang, Beijing	Gansu, Guizhou, Qinghai	3
Income ratio of urban and rural residents	Tianjin, Zhejiang, Heilongjiang	Gansu, Guizhou, Yunnan	0
Coverage rate of harmless sanitary toilets in rural areas <sup>b</sup>	Shanghai, Beijing, Zhejiang	Heilongjiang, Qinghai, Jilin	3
Proportion of administrative villages with domestic waste treated <sup>c</sup>	Shandong, Shanghai, Jiangsu	Heilongjiang, Jilin, Inner Mongolia	3
Average years of education of rural population <sup>a</sup>	Beijing, Shanxi, Hainan	Xizang, Qinghai, Gansu	0
Number of practicing doctors per 1000 rural residents <sup>b</sup>	Tianjin, Shanghai, Zhejiang	Guangxi, Jiangxi, Guizhou	3

**Table 6.7** Comparison by provinces based on the goal of agricultural and rural modernization in2035

Note <sup>a</sup> Standards for data in 2017, <sup>b</sup> for data in 2018, and <sup>c</sup> for data in 2016

To sum up, the results of regional evaluation are similar to those of core index analysis, and regions such as Shanghai, Jiangsu, Zhejiang, Beijing and Tianjin lead China in agricultural and rural modernization. According to above calculation, the growth rate of basically realizing agricultural and rural modernization in China (with an average annual increase of about 3.5% from 2011 to 2018), it is conservatively estimated that Shanghai will reach the target value of basically realizing agricultural and rural modernization and Beijing will achieve the target value in 8 years, and Tianjin in 9 years. Therefore, regions such as Shanghai, Jiangsu, Zhejiang, Beijing and Tianjin can basically realize agricultural and rural modernization through 7–9 years' efforts, while ensuring that the speed of agricultural and rural modernization is not lower than the average annual speed of the whole country in the past 8 years. As the main index for regional calculation is based on data in 2018, it is estimated that some developed coastal areas will basically achieve the target value of agricultural and rural modernization areas undernization areas will basically achieve the target value of agricultural and rural modernization is possible of the whole country in the past 8 years. As the main index for regional calculation is based on data in 2018, it is estimated that some developed coastal areas will basically achieve the target value of agricultural and rural modernization around 2025.

Based on the basic realization of the goal of agricultural and rural modernization in 2035, and from the perspective of staged differences at the provincial and regional levels, 31 provinces (including autonomous regions and municipalities directly under

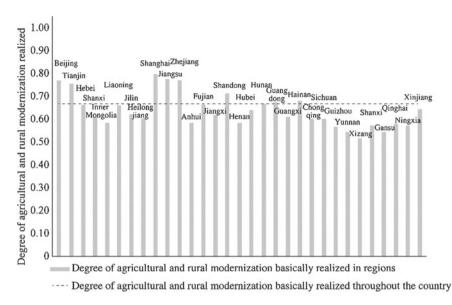


Fig. 6.3 Basic realization of agricultural and rural modernization in regions

the Central government) can be divided into three echelons: the first echelon includes Shanghai, Jiangsu, Zhejiang, Beijing and Tianjin, which is expected to reach the target value around 2025; the second includes 19 provinces such as Shandong, Hainan, Guangdong, Hunan and Fujian, which is expected to reach the target value around 2030; and the third includes Qinghai, Ningxia, Shaanxi, Guizhou, Gansu, Yunnan and Tibet, which needs to focus on support to ensure that agricultural and rural modernization will be basically realized as scheduled before 2035.

### 6.2.2 Overall Guidelines and Goals of the Fight Against Poverty

(1) Overview of the anti-poverty situation after 2020.

After 2020, China will give more attention to addressing relative poverty than to eliminating absolute poverty. The blueprint for socialist modernization outlined by the 19th National Congress of the Communist Party of China has established a two-stage historical direction for anti-poverty in the next 30 years: from 2020 to 2035, the state will devote itself to basically realizing socialist modernization, making people's lives more affluent, basically equalizing basic public services, making decisive progress in rural revitalization, and forming a long-term mechanism to solve relative poverty; from 2035 to 2050, China will be built into a strong socialist modern country, with the rural areas revitalized in all respects and the common prosperity of all people basically realized. Along this great historical direction, poverty after 2020 will be relative poverty as defined in any way, except for a few inevitable absolute poverty, and the anti-poverty goals and targets after 2020 will be part of the national development strategy so as to serve the improvement of the living standards of the relatively poor and the narrowing of the gap, and finally realize common prosperity of all the people.

After achieving goals and tasks of poverty alleviation in 2020, China will focus on addressing the problem of relative poverty. During this period, China will not rule out the existence of a very small number of absolute poverty-stricken people, including those relapsing into poverty under special circumstances, those currently living in poverty, those lifted out of poverty but employed in unstable industries or jobs, those relocated when follow-up support measures have not yet played an effective role, and those wishing to reap without sowing. In addition, some people lifted out of poverty have weak ability to survive and are at risk of relapsing to poverty, so we need to consolidate the achievements of poverty alleviation. Population in relative poverty includes people whose income and living standards are the lowest. Its scale and composition characteristics are determined by the specific definition of relative poverty, and these people will the main poor groups in the future. With the change of urban and rural demographic distribution, the relatively poor population will be distributed in both urban and rural areas. In the meantime, China's poverty alleviation and development experience and anti-poverty system formed before 2020 have become too strong and unnecessary in relation to the remaining absolute poverty and vulnerability. However, China has little knowledge about the relative poverty theory and policy.

(2) General anti-poverty guidelines and goals after 2020.

International and domestic experience shows that the implementation of poverty reduction strategies plays an important role in promoting anti-poverty in various countries. According to the "three pillars" (opportunity, capacity and empowerment) poverty reduction strategy advocated by the World Bank and the methods and guidelines for formulating poverty reduction strategies by countries, the World Bank has helped most member countries to formulate poverty reduction strategies and promoted the poverty reduction process in some countries. The history of poverty alleviation and development in China in the past 40 years has shown that it is very important to determine poverty alleviation strategies in line with national development strategies, poverty characteristics and poverty alleviation capabilities. China has also adjusted poverty alleviation standards in stages, maintained a certain scale of poverty alleviation beneficiaries, and continuously improved the income and living standards of the poorest population.<sup>10</sup>

After 2020, under the framework of urban–rural integration and rural vitalization strategy, China's anti-poverty will gradually exit from unconventional poverty alleviation system and poverty alleviation policy through direct development, make overall

<sup>&</sup>lt;sup>10</sup> Innovation Project Team of "Research on China's Poverty Reduction Strategy after 2020", "Research on China's Poverty Reduction Strategy after 2020", 2019 innovation project closing report, 2019.

plans for urban and rural poverty governance, and move to conventional governance of relative poverty. The guidelines include the following aspects.

First, we will focus on alleviating relative poverty and multidimensional poverty, and use various poverty standards in parallel to play the roles of poverty monitoring, social progress monitoring and policy guidance.

Second, we will gradually establish a clearer "three-pillar" poverty reduction strategy or anti-poverty model, implement the development-oriented concept in the rural vitalization policy or the development policy of relatively poor areas, and gradually integrate comprehensive affordable poverty alleviation measures into an integrated social protection system.

Third, through anti-poverty legislation, equalization of basic public services, and well-established social protection system, a policy system to alleviate relative poverty will be formulated to realize transition to conventional poverty governance. The current leadership and work functions of poverty alleviation and development can be transferred to the state department of social welfare.

Fourth, the new relative poverty management information system should learn from foreign experience, make full use of the advantages of the current filing system, expand and adjust according to the new anti-poverty strategy and standards, and perform more functions such as poverty identification, dynamic management, monitoring and research.

Fifth, under the background of building a global community of shared future and the "Belt and Road" Initiative, we will actively participate in international poverty alleviation cooperation, and promote poverty reduction in other developing countries and advance the realization of the UN Sustainable Development Goals in 2030.

From 2021 to 2035, as part of the goal of "making decisive progress in rural vitalization and basically realizing agricultural and rural modernization", China's overall anti-poverty goals include: establishing a relatively complete declaration and identification system and management information system for people in relative poverty; achieving full coverage of people in relative poverty by equalizing urban and rural basic public services; establishing a social protection policy system for people in relative poverty; ensuring that anti-poverty management is normalized and legalized to provide welfare and development support; ensuring that the minimum living standard of urban and rural residents is dynamically adjusted with the economic development and the improvement of urban and rural income level; ensuring that the proportion of people in relative poverty and income gap tend to decline, and that multidimensional poverty is basically eliminated, thus making an important contribution to international poverty reduction and to the realization of the United Nations Sustainable Development Goals for 2030.

The next few years will be the transitional period of China's anti-poverty strategies and policies, i.e. the transition from eliminating absolute poverty to alleviating relative poverty and from unconventional fight against poverty to conventional antipoverty. In the past, the institutional mechanisms and measures to eliminate absolute poverty should not come to an abrupt end, but should undergo a transitional period so as to further consolidate the achievements of poverty alleviation, and study and implement the transformation or cancellation of various institutional mechanisms and policies. In the meantime, we will promote research, policy design and system establishment of relative poverty governance to lay a solid foundation for medium and long-term implementation of anti-poverty strategies.

### 6.3 Policies and Measures for Advancing Rural Vitalization

The rural vitalization strategy is the key to our efforts concerning agriculture, rural areas and farmers in the new era. In a long period of time to come, we will promote implementation of the rural vitalization strategy on the basis of basically forming the institutional framework and policy system for rural revitalization. For this purpose, we need to implement the current effective policies and measures, and make adjustment and innovation according to new situation, with focus on key development areas. In addition, we will formulate and implement a number of new policies and measures, and constantly improve the rural vitalization policy system.

### 6.3.1 Strengthening the Food Security Guarantee Policy

Ensuring national food security is a major national strategy of China to be upheld all the time, and it is also a basic means to cope with the great changes unseen in a century.

First, we should improve national food security strategy. We need to change our traditional security policy of simply pursuing food quantity, establish a comprehensive new policy of food security, and accelerate the transformation of food security from quantity security to quality and capacity security. According to the food security policy of "ensuring basic self-sufficiency of grain and absolute security of staple food", a hierarchical food security strategy is implemented for staple food, grains and food. "Security of staple food" is the core of food security. To ensure absolute security of staple food, we need to make sure that the self-sufficiency rate of rice and wheat basically reaches 100%. Grains should be basically self-sufficient, and the self-sufficiency rate should reach more than 95% determined by the United Nations Food and Agriculture Organization (FAO). For other grain varieties, we can make full use of international trade to adjust surplus and demand of food supplies according to actual situation. In addition, we should extend the traditional policy of grain security to the policy of food security, ensure residents' food and nutrition needs at a higher level, and promote a diversified food consumption structure.

Second, we should build a diversified system of grain reserves. Based on implementation of the "strategy of sustainable farmland use and innovative application of agricultural technology to increase farmland productivity", we will vigorously promote the policy of "encouraging farmers to store grains" and build a diversified national grain reserve system led by the government and actively participated by enterprises and farmers. We will deepen reform of the management system of central grain reserves, scientifically determine the size of reserves, strengthen the supervision and management of central grain reserves, and promote coordinated operation of the central and local reserves. We will step up efforts in R&D of key core technologies in grain production, processing, storage and transportation. We will improve the science and technology extension service system of grain food, further optimize the national grain transportation system, speed up construction of the modern grain logistics system, comprehensively heighten the scientific and technological level of grain industry chain, and improve the efficiency of cross-regional grain transportation. On this basis, processing and circulation enterprises, new business entities and farmers will be encouraged to carry out independent grain storage and management. The State will provide subsidies for enterprises, new business entities and farmers who participate in grain storage.

Third, we should improve the benefit compensation mechanism of major grain producing areas. We will further improve the central government's policy compensation for major grain-producing counties, and increase support in infrastructure construction, rural public service supply, tax reduction and exemption, etc. We will also strengthen compensation for development of major grain selling areas in major grain-producing counties, guide grain processing enterprises to invest in major grainproducing counties, and enhance their capacity to increase grain output. According to the amount of grain transferred into the main grain selling areas, special compensation funds proportionally collected from local financial revenues are used as agricultural subsidies for grain purchase price, grain insurance, grain storage and transportation, agricultural infrastructure construction and grain risks fund in the main grain producing areas. In addition, based on the value of ecological services, we should give priority to the vertical compensation of higher-level finance and the horizontal compensation between localities by carrying out pilot work of food ecological compensation in major grain producing areas, and give sub-compensation according to the crop planting area.

Fourth, we should establish and improve the price formation mechanism of agricultural products. We will gradually reduce the minimum purchase price of wheat and rice, and reduce market interventions in crops such as corn, soybeans and cotton, and implement the policy of "separation of price and subsidy" so as to improve the purchasing system of agricultural products and guide production of high-quality agricultural products on the market.

### 6.3.2 Innovating the Policy of Rural Industrial Land Use

First, encourage qualified places to introduce policies that fully combine the reform of "separation of three powers" of farmland with the construction of high-standard farmland and the development of farmland transfer market. (Note by translator, three powers mean rural land ownership rights, contract rights and land management rights). The policy of rural industrial land use should be innovated, with focus on summarizing the reform experiences of reform of "three kinds of rural land (i.e. farming land, residential land, and construction land)". First, we will encourage qualified places to introduce policies that fully combine the reform of "separation of three rights" of farmland with the construction of high-standard farmland and the development of farmland transfer market. (Note by translator: three rights mean rural land ownership rights, contract rights and land management rights). Full play will be given to the land leveling right in the "ownership" of agricultural land for overall planning and integration of financial funds with high-standard farmland by means of county co-ordination, town implementation and village cooperation, and release the scale effect of farmland formation contiguous in a larger area. On the basis of guaranteeing farmers' contract rights, agricultural business entities such as family farms can conveniently obtain the management rights of leveled contiguous farmland.

Second, under the framework of the newly revised *Law of Land Administration*, we will improve the policy of homestead approval and stock activation. With focus on innovating the reform of "separation of rural land rights", we will improve the policy of farmers' idle homesteads and houses, actively explore ways to realize the "separation of the ownership, qualification and use rights of homesteads, and implement collective ownership of homesteads, protect farmers' qualification rights of homesteads and property rights of farmers' houses, so as to moderately release homesteads and use rights of farmers' houses. We will carry out pilot projects for the circulation and mortgage of homesteads within the county area, and explore practice of converting idle homestead into construction land. Farmers will be encouraged to voluntarily abdicate their unoccupied houses, allowing market players to operate vacant houses and develop rural industries. According to local conditions, we will formulate the policy of voluntary paid exit of farmers' homesteads, and open up the connection channel between the exit of homesteads and the collective management of construction land.<sup>11</sup>

Third, all localities are encouraged to introduce policy of rural industrial land use according to local conditions. According to the *Notice on Issues Related to the Management of Agricultural Land for Green House and Aquatic Operations*, all localities should formulate local implementation rules to clear the obstacles of agricultural land for green house and aquatic operations. On the premise of conforming to the overall land use planning, the county-level government is allowed to adjust and optimize the layout of village land through village land use planning, and effectively utilize the scattered stock of construction land in rural areas. Any county-level government that collects and stores idle rural construction land to develop new industries and new formats in rural areas will be granted new construction land use index as a reward.

<sup>&</sup>lt;sup>11</sup> Wei (2020).

### 6.3.3 Improving the Policy of Rural Talent Vitalization

Adhere to the idea that human resources are the first resource, gather talents from all over the world and use them, do a good job in five aspects: bounding talents, cultivating talents, attracting talents, using talents and retaining talents, and improve the rural talent vitalization policy.

First, we will establish and improve the policy for identification of agricultural and rural talents. On the basis of clarifying all kinds of talents in rural areas, we should carry out classified management, introduce the identification management system, study and formulate the information statistics system of agricultural and rural talents. We also need to always keep informed of the quantity, structure and development trend of all kinds of talents. Local agricultural and rural talent information systems will be integrated to establish a unified national agricultural and rural talent information platform.

Second, we will establish the policy of cultivating agricultural and rural talents. An all-round three-dimensional agricultural and rural talent cultivation system will be created to cultivate professional farmers, strengthen rural agricultural technology extension talents, implement rural skilled personnel training actions, and enhance the innovation and entrepreneurship ability of all kinds of rural skilled personnel. We will cultivate the team of new rural elites, strengthen the construction of rural Party organization talents, and explore the directional training of agricultural technology extension talents at village level.

Third, we will introduce policies to optimize the working environment of talents. To build the incentive system of agricultural and rural talent system, optimize the talent service environment and create a good rural talent ecology, we must follow the people-oriented principle to promote the integration of urban and rural development and the sustained and steady growth of farmers' income, while making up the debts of rural public service construction as soon as possible, and realizing the integration of urban and rural public services.

### 6.3.4 Innovating the Policy of Agricultural Support and Protection

In the future, China will build a new agricultural support and protection policy to ensure the security of grain quantity and quality and the sustainable production capacity of national grain.

First, we will adjust and improve the "yellow box" policy and expand the scope of use of the "green box" policy. We will subsidize agriculture and made full use of the upper limit of not exceeding 8.5% of the total agricultural output value under the WTO rules. The production subsidy for specific products will be changed into direct subsidy that is not linked to specific varieties. A direct subsidy system for

agricultural income that decouples from agricultural production in that year will be established as soon as possible.

Second, we will strengthen and improve the direct subsidy measures and the policy performance of direct subsidies. We will step up efforts to increase support and protection for agricultural production. At the same time, we will follow the principle of "consistency of rights and obligations" and implement the practice of paying subsidies according to grain output or sown area, so as to change the current practice of "getting subsidies no matter whether grain is grown or not" and paying subsidies according to the taxable land area. We will give full play to the incentive effect of agricultural subsidies and improve the policy performance of direct subsidies. Based on the principle of subsidizing rural entities really engaged in agricultural scale operation, we will grant new direct subsidies to the real agricultural business operators such as professional farmers and family farms. Convenient conditions will be created for business entities to participate in the construction of high-standard farmland and agricultural infrastructure. We will actively explore the establishment of subsidy policies for improving soil quality protection.

Third, we will establish and improve policies to promote the great development of agricultural insurance market. On the one hand, we need to improve the agricultural insurance policy. The production-linked subsidies will be translated into optional schemes of policy credit and insurance support. We will strengthen top-level design of agricultural insurance, and promote pilot projects of full cost insurance and income insurance for rice, wheat and corn. We will explore the implementation of the pilot project to replace subsidies with awards for the insurance of agricultural products with local advantages and characteristics. The pilot project of agricultural catastrophe insurance will be expanded. A linkage mechanism among agricultural subsidies, agriculture-related credit, agricultural products futures and agricultural insurance will be established to steadily expand the "insurance + futures" experiment, and more effectively prevent the market risks of agricultural production. On the other hand, local governments should formulate policies to promote the development of local agricultural insurance market according to local conditions, and encourage and guide social capital to invest in agricultural insurance market, so as to enrich agricultural insurance varieties and meet diversified market demands.

#### 6.3.5 Improving the Modern Rural Industrial Policy

The key to rural vitalization is industrial vitalization. In the medium and long term, we will take promoting the high-quality development of agriculture as the basic starting point, and take diversifying the rural industrial form as the main goal to further improve the modern rural industrial policy.

First, we will improve the policy of high-quality agricultural development. To implement three strategies of boosting high-quality development of rural areas, we will formulate and improve the high-quality agricultural development policy. As for the plan to boost high-quality development of rural areas, we should take brand building as the starting point to implement the national agricultural product quality improvement project and agricultural product processing industry improvement action, and further improve the national agricultural product quality and safety inspection and testing system and traceability system. We will comprehensively improve the quality and efficiency of agricultural product supply, and embark on the road of high-quality development of modern agriculture. As for green agriculture, we must follow the concept of green development to develop ecological agriculture, organic agriculture and circular agriculture. We will speed up green transformation of traditional agriculture, carry out fertile land construction projects and reduction action plans for chemical fertilizers and pesticides, and support organic fertilizers to replace chemical fertilizers. We will also strengthen the comprehensive utilization of livestock manure, straw and plastic film to achieve the goal of green agricultural development with Chinese characteristics. As for the plan to boost agriculture through scientific and technological advances, we will further increase investment in agricultural science and technology, and speed up agricultural science and technology innovation, transformation and application of achievements, so as to build an agricultural education system, scientific research system, technology extension service system and modern seed industry innovation system that meet the needs of rural vitalization. In particular, we will step up efforts in the transformation and upgrading of agricultural mechanization, with the purpose to vigorously promote cross-regional operation and socialized service of agricultural machinery, make innovations of public welfare agricultural technology extension service methods, and encourage and guide various social forces to participate in the extension of agricultural scientific and technological achievements.

Second, we will improve the rural industrial integration development policy we will ensure the decisive role of the market in choosing rural industrial types and industrial integration methods, and see to it that the government should do a good job in industrial integration information services and entity docking activities to reduce various transaction costs of industrial integration. First, we will deepen the reform of administrative system, transform government functions, and create an environment for integration. The local government will be obligated to clarify government responsibilities, provide an excellent environment for industrial integration and development, simplify market access conditions, and reduce institutional transaction costs. Second, we will establish and improve the factor market of urban-rural integration to create convenience for free circulation of factors between urban and rural areas. We will spur the development of agricultural products processing industry, guide and encourage the integration and development of agriculture, tourism, home stay experience and other new industries. Third, we will provide preferential incentives in taxation, land and finance for leading enterprises, cooperatives, family farms and other market entities that can promote the integration and development of rural industries.

#### 6.3.6 Improving the Farmers' Benefits Affiliating Policy

Farmers' benefits are the starting point and foothold of rural vitalization. The rural vitalization strategy is a long-term development strategy, so it is necessary to establish a linkage mechanism to ensure farmers' benefits in the medium and long-term development. First, we need to ensure the benefits of farmers in the development of rural industries. Farmers' prosperity and rural vitalization are the starting point and foothold of industrial development. Therefore, while actively guiding the participation of multiple entities, the benefits of small farmers must not be ignored because of their weak position. We will take into account the interests of all parties, and control the unjust enrichment of capital under the principle of protecting farmers' interests, so as to establish a benefit coupling mechanism with farmers, and form a community of share future with shared interests and risks.<sup>12</sup> Second, we will ensure farmers' interests in collective property rights and system reform. While urging all localities to complete the reform of rural collective property rights system as soon as possible, we will formulate relevant supervision policies to ensure the vital interests of farmers in various reforms such as the reform of "three changes (i.e. resources changed into equity, funds changed into equity capital, and farmers changed into shareholders)". Third, we will ensure the interests of farmers in the development of rural collective economy. While developing rural collective economy, we will introduce relevant policy to ensure farmers' interests.

#### 6.3.7 Improving the Rural Ecological Livability Policy

To improve the appearance of villages, we will build ecologically livable villages and formulate a policy system to transform rural beauty into productivity. (1) We will speed up the renovation of dilapidated houses in rural areas. All local governments should determine the renovation standards of dilapidated buildings and old houses, and increase financial subsidies. (2) We will accelerate the construction of rural roads. This includes the construction of inter-village roads and household roads, with special attention paid to the problem that the roads in the transition zone of administrative divisions are not maintained. Through road improvement, the situation of muddy roads and inconvenient travel of villagers in the village will be solved. (3) We will improve rural sewage treatment. We will increase investment in domestic sewage treatment, and focus on strengthening the governance of surface water eutrophication pollution caused by nitrogen, phosphorus and potassium in planting industry, fecal pollution caused by aquaculture industry, and domestic sewage discharge. The water sources in rural drinking water safety projects will be put under proper management by regularly collecting and testing samples of water sources. (4) We will make innovations of the concept of rural garbage management and establish a mechanism

<sup>&</sup>lt;sup>12</sup> Wei and Du (2019).

for rural residents to participate in the management. We will establish and practice the development concept of "clear waters and green mountains are as valuable as mountains of gold and silver", and promote rural environmental optimization by rural garbage treatment. We will enhance rural residents' awareness of garbage classification, increase capital investment in rural garbage treatment, and ensure the infrastructure of rural garbage storage. (5) We will make reasonable choice of the toilet reform mode, and promote toilet revolution according to local conditions. In economically developed or suburban areas, we will accelerate the construction and renovation of household sanitary toilets. In economically backward or remote areas, we will respect the principle of mass acceptance, economic applicability and convenient maintenance, and adopt different toilet improvement modes. At the same time, we will focus on organic combination of toilet treatment and domestic sewage treatment, and ensure that the basic principle of toilet improvement is not to pollute rural water. (6) We will promote village greening and improve village public facilities. Full use will be made of idle land for afforestation and wetland restoration so as to build green ecological villages. We will accelerate the construction of public places such as village public lighting facilities, leisure and entertainment places and elderly activity centers.<sup>13</sup>

#### 6.3.8 Improving the Urban and Rural Public Service Policy

The equalization of basic public services between urban and rural areas will be accelerated to promote the integration of urban and rural areas, which is an important guarantee for implementing the rural vitalization strategy. In a certain period of time to come, we will further improve the policy system of equalization of basic public services between urban and rural areas, and provide incentives for free flow of various elements between urban and rural areas. First, we will establish and improve the policy of promoting the unification of urban and rural basic public service standards and the integration of systems. All local governments are required, according to their own conditions and development level, to formulate unified basic public service construction standards for urban and rural areas in their own regions, and strive to complete the integration of relevant policies by 2025. Second, we will establish and improve the fiscal policy to support the equalization of basic public services in urban and rural areas. Financial support is a basic guarantee for the government to perform public services. For priority development of agriculture and rural areas, we will fundamentally adjust and optimize the urban-rural structure of financial public service expenditure, increase financial investment in rural public services, and accelerate the equalization of basic public services in urban and rural areas. At the same time, we will change the financial supply mode by which the government serves as a single subject, and actively encourage various non-governmental organizations and social capital to participate in the construction of rural public services.

<sup>&</sup>lt;sup>13</sup> Wei and Du (2019).

In the case of limited financial resources, the government should give priority to increasing the support for rural basic public services. (1) Priority should be given to increasing investment in compulsory education, vocational education and preschool education in rural areas. Investment will be increased in rural education funds and continuously improve the hardware facilities of rural education. We will strengthen the construction of rural teachers, guarantee teachers' wages, benefits and social insurance benefits, and establish and improve the two-way flow mechanism of urban and rural teachers. (2) We will give priority to increasing investment in rural basic medical services. The medical security level of rural residents will be further improved to strengthen the infrastructure construction of rural health service stations and service networks, and improve the treatment of rural doctors and the medical service ability of medical staff. (3) Priority should be given to increasing investment in rural social security. At present, China's rural social security standards are low, so efforts should be made to improve relevant systems and increase subsidies for rural minimum living guarantee.<sup>14</sup> (4) We will formulate relevant policies to encourage and guide social capital to participate in the construction of rural basic public services.

#### 6.3.9 Establishing and Improving the Policy of Safe Countryside

We will set out to establish a policy system of safe countryside, so that rural residents can realize rural vitalization under the condition of safe production and safe life. First, we will establish and improve the rural safety production policy. All local governments should formulate rural safety production policies suitable for their own regions under the framework of national safety production policies and regulations in accordance with rural types and development stages. Safety production policies will be established for publicity, guidance, supervision, handling and response of safety production so as to properly solve the problem of law enforcement team and financial security. We will enhance the safety supervision ability and safety supervision guarantee ability of grass-roots governments, promote the continuous improvement of the safety production level of enterprises within the jurisdiction, and enhance the production safety accident prevention ability and continuously improve the safety production situation. Second, we will establish and improve the rural safe life policy. Under the principle of prevention first in combination with rescue, we will adhere to the unity of normal disaster reduction and abnormal disaster relief, and comprehensively improve the comprehensive prevention ability against various disasters. We will strengthen the monitoring, forecasting and early warning of rural natural disasters, and solve the "last mile" problem of rural early warning information release. The construction of disaster prevention and mitigation projects will be strengthened to promote renovation of dilapidated buildings for rural poor people

<sup>&</sup>lt;sup>14</sup> Wei and Du (2019).

in high-risk areas of natural disasters. We will comprehensively deepen the prevention and control of forest and grassland fires. Efforts will also be made to advance the construction of rural public fire-fighting facilities, fire-fighting forces and firefighting safety management organizations, and improve rural fire-fighting safety conditions. A prevention and response mechanism will be in place for major diseases in rural areas. We will promote the construction of relief materials reserve system for major disasters and epidemics.

## 6.4 Ideas and Policies of Implementing the Anti-Poverty Strategy

After 2020, on the basis of consolidating poverty alleviation achievements and eliminating absolute poverty, China should establish a policy system for reducing relative poverty. It consists of shared development strategies and policies, equalization of basic public services, rural vitalization policies, development policies for relatively poor areas and social protection policies, relative poverty identification and monitoring, and relative poverty governance framework of urban and rural integration. We will continue to promote the transformation of poverty governance from an unconventional fight against poverty system to a conventional and legal governance system and mechanism, and finally realize the long-term goal that poverty governance becomes an organic part of rural vitalization actions and national governance modernization.

## 6.4.1 Implementing the Policy of Consolidating the Achievements of Poverty Alleviation and Eliminating Absolute Poverty

After 2020, the primary task of anti-poverty is to consolidate the achievements of poverty alleviation, prevent the poverty-stricken people from relapsing into poverty, and improve the sustainability of poverty alleviation. To consolidate the achievements of poverty alleviation and prevent relapse into poverty in rural areas, we will establish a long-term mechanism for farmers' stable income increase and a long-term mechanism for income support of low-income groups, though there must be some families who need to rely on various policy support for a period of time. In the future, therefore, in addition to the macro-policy needs that are conducive to increasing farmers' income, such as stabilizing growth and employment, the special policies are as follows:

(1) Priority industrial and employment support policies for low-income families.

On the premise of supporting the healthy operation of poverty alleviation industries and poverty alleviation workshops (factories) in rural areas, we will support all localities to gradually rationalize the interest connection mechanism between the card-setting households and poverty alleviation industries and poverty alleviation workshops, and ensure that all employment, cooperation and benefit distribution behaviors are more in line with economic laws and market rules. We will pay special attention to low-income families which is registered as poor families. Certain preferential policy support will be given to the cooperation between new business entities, enterprises and various low-income families. We will continue to make good use of the rural labor transfer and employment management information system, employment cooperation and skills training policies so as to stabilize the agricultural labor transfer and employment, and encourage self-employment.

(2) Collective income and welfare distribution policy of fairness and benefit to the poor.

In line with the reform of rural collective property rights, we will strengthen the operation and management of collective financial assets for poverty alleviation and collective assets. The principle of fairness and pro-poor benefits will be adopted in the distribution of collective income and other benefits, of which the democratic decision will be made by villagers, making allowance for low-income families.

(3) A more perfect policy to guarantee people's basic needs.

The basic needs guarantee policy is a long-term comprehensive support policy for families without labor or provider, including minimum income support and various basic guarantees as well as auxiliary policies such as asset income distribution. The most important thing of the basic needs guarantee policy is its stability and long-term effect, including the clarity of standards for selecting objects with basic needs and fund guarantee, so that the objects with basic needs will have no worries.

For a small number of people relapsing into poverty or becoming impoverished under the current standards that will inevitably occur, it is no longer necessary to identify them on a large scale because of their small quantity and scattered distribution. However, it is necessary to implement a basic needs guarantee policy and establish a bottom-up rapid response and rescue mechanism. Once poverty occurs, the poor and their grass-roots communities (villagers' groups) should quickly find out and report to the administrative villages, and use relatively perfect accurate identification standards and mechanisms for discrimination and identification of poverty-stricken people. Once people relapsing into poverty or becoming impoverished are identified, the social assistance mechanism should be started quickly to provide minimum living security and various targeted assistance measures so as to ensure "two assurances and three guarantees (i.e. assuring the rural poor population that their food and clothing needs will be met, and guaranteeing that they have access to compulsory education, basic medical services, and safe housing)".

# 6.4.2 Improve the Rural Vitalization Policy Including the Concept of Development-Oriented Poverty Alleviation and the Development Policy of Relatively Poor Areas

Development-oriented poverty alleviation is one of successful Chinese experiences, which is designed to develop resources and production, improve poor farmers' self-accumulation and self-development ability, and help them overcome poverty and achieve prosperity through labor.<sup>15</sup> Although the connotation of the development-oriented poverty alleviation policy is constantly enriched and expanded during evolution, its core philosophy remains unchanged. Academic circles have never stopped questioning and criticizing the issue of development-oriented poverty alleviation. The main point of criticism is that, to a certain extent, or to a great extent, because development-oriented poverty alleviation is actively or even forcibly promoted by the government, poor areas and poor farmers are passively or even forced to participate, which leads to a series of problems such as industrial failure, insufficient participation of poor households, and lack of mechanism to drive poor households. In the stage of solving the problem of absolute poverty, development-oriented poverty alleviation is a necessary development process. Poor effect is inevitable, but it is not a reason to deny it.

With the anti-poverty entering a new stage after 2020, it is necessary to reflect on the development-oriented poverty alleviation policy. In short, the core concept of development-oriented poverty alleviation still needs to be upheld, but the policy mechanism of development-oriented poverty alleviation should be changed from being government-led to being government-supported and guided, with business entities and farmers participating independently and voluntarily. Therefore, according to the idea of effectively linking poverty alleviation with rural vitalization, the 14th Five-Year Plan period will be a transitional period of the development-oriented poverty alleviation policy. It is thus necessary to continue, transform or cancel the current policy according to the classification principles of retention, extension, adjustment and cancellation. The policy for business entities in development-oriented poverty alleviation can be turned to promoting the rural vitalization policy, and to providing preferential incentives and support policies for families registered as living in poverty on the basis of inclusive policy mechanisms. Regional policies can be integrated into the development policies in relative poor areas.

<sup>&</sup>lt;sup>15</sup> Wei (2019).

# 6.4.3 Establishing a Specific "Three Pillars" Anti-Poverty Strategy

The World Bank's "three-pillar" strategy to eradicate absolute poverty has been refined and perfected many times in the 30 years since 1990. In a 2016 report, the "three pillars" of comprehensive poverty reduction were defined as labor-intensive economic growth, human capital investments, and setback-proof social security to cope with events with great global influence such as pandemics and catastrophes, which shows its foresight.<sup>16</sup> The Europe 2020 program on reducing population in relative poverty includes boosting inclusive growth, guaranteeing education, improving medical services, and bettering the effect of social protection, which is highly consistent with the "three-pillar" strategy. China's development and poverty reduction model also has the characteristics of "three pillars", such as developing labor-intensive industries and implementing employment priority policies, popularizing rural compulsory education, and developing low-level but wide-coverage residents' medical care and old-age security systems.<sup>17</sup> In recent years, China has consciously constructed affordable poverty alleviation measures that complement its development-oriented poverty alleviation policy. Under the precise poverty alleviation model, as the poverty situation of all poor families is known, the guaranteed poverty alleviation can effectively play the role of poverty alleviation.

China's poverty reduction model at the stage of eliminating absolute poverty coincides with the "three pillars" model, which is more determined by the development path of socialism with Chinese characteristics and has not been written into the written poverty reduction strategy document. After 2020, due to the sociality of relative poverty, its solution mechanism and process need to be more closely integrated with economic and social development. A clear "three-pillar" poverty reduction strategy is essential, and it needs to be adjusted and transformed in China in combination with internationally accepted initiatives, practices and China's national conditions. The focus of these adjustments is to re-distinguish the investment and guarantee in the World Bank report in terms of concepts and policies. At present, there are four basically parallel concepts in these two aspects at home and abroad, namely, basic public services, social security, social protection and social assistance. Comparison shows that investment and guarantee should be replaced by basic public services and social protection respectively, so the "three pillars" of poverty reduction in China in the future can be composed of inclusive growth, equalization of basic public services and social protection. In terms of inclusive growth, the communiqué of the Fourth Plenary Session of the 19th CPC Central Committee proposed that the promotion mechanism conducive to fuller and higher quality employment should be improved, including employment priority policy, public employment service, lifelong vocational skills training system, employment support for key groups, employment driven

<sup>&</sup>lt;sup>16</sup> Among them, it deals with the global guarantee to deal with the events that have great global influence, such as pandemics and catastrophes, which shows its foresight Gill et al. (2016).

<sup>&</sup>lt;sup>17</sup> Wu et al. (2018).

by entrepreneurship, and flexible employment through multiple channels. An education system that serves lifelong learning for all is conducive to promoting employment. Social insurance belongs to the common field of basic public services and social protection, while labor and employment services belong to the common field of inclusive growth, basic public services and social protection. This is why they really matter. The internationally accepted concept of social protection is close to China's social security, which includes not only social insurance and social assistance, but also labor market intervention measures, such as training, employment promotion, and employment assistance is also regarded as an important content of social protection.

### 6.4.4 Exploring Relative Poverty Standards and Monitoring Systems of Urban and Rural Integration and Multiple Standards

(1) Establishing a pluralistic relative poverty standard system.

After 2020, China as a whole will enter a stage to resolve relative poverty. Because China's current absolute poverty standard is still a rather low standard, and people have a poor understanding of the relative poverty theory, standard and measurement, it is suggested that a relative poverty standard system composed of multiple standards should be researched and formulated under the support of the concepts of relative poverty, multi-dimensional poverty and shared prosperity. The system includes the following five types of standards.

First, the standard of basic living guarantee (combined with the standard of subsistence allowance). The basic living guarantee standard is an extension of the absolute poverty standard in the past, which parallels with the minimum subsistence allowance standard. Based on minimum subsistence allowance and equivalent income, this standard is aimed to realize the unification of the basic living guarantee standard and the subsistence allowance standard. In the future, all Chinese citizens will have the right to get a minimum standard of living, and families below this standard will have the right to receive monetary or in-kind relief. With the elimination of absolute poverty, if the poverty standard combined with the minimum living standard is adopted, the newly added population under protection will be very limited on the basis of the existing rural minimum living standard.

Second, the numerical relative poverty standard (poverty reduction work standard). With the improvement of social and economic development level, and for the purpose of improving the income and living standard of people in poverty, the state can set a higher poverty standard to be measured by income value as a new goal of poverty reduction. This standard can still be gradually improved in stages as before, corresponding to the phased goal of common prosperity. This poverty standard is actually a relative poverty standard related to the development stage and development goal. It is different from the higher poverty standard implemented in some developed countries, and it is a feasible income goal that low-income families can achieve through assistance and efforts, which can also be called low-income standard. Therefore, its target value should be between the basic living standard and the proportional relative poverty standard to be discussed later, and its function is to define the low-income families below this standard and having the ability to work, and to promote them to get rich through labor by providing them with direct developmental assistance measures, with the purpose of helping them rise above the poverty line.

Third, the proportional relative poverty standard (relative poverty monitoring standard). Proportional relative poverty standard is equivalent to the poverty standard of EU and OECD, and it is a poverty standard measured by a certain proportion of the median per capita disposable income of residents. It is suggested that 50% of the median value of per capita disposable income should be set as the poverty standard, which is consistent with the OECD relative poverty standard, lower than 60% of the EU standard and higher than 40% recommended by most domestic studies. At present, most studies have set the proportion of relative poverty standard at 40%.<sup>18</sup> At present, the proportional relative poverty standard adopted in China is mainly used to monitor poverty changes, and its long-term goal is to pursue an appropriate reduction of the poverty rate.

Fourth, multidimensional poverty standards. Drawing experience from international practice, the multi-dimensional poverty dimensions and dimension thresholds have been determined according to the needs of residents' basic living, basic public services and human capital development. On the one hand, they serve as the basis for multi-dimensional poverty monitoring, and on the other hand, they serve as the basis for relevant departments to "improve weakness" in the fields of basic living security and basic public services. At present, there have been many studies on the standard of relative poverty in China, and one of the most representative and latest achievements is the research conducted by Wang Xiaolin and FengHexia.<sup>19</sup> They believe that the multidimensional poverty standard is very important, but they may be somewhat inadequate as a holistic scheme to measure relative poverty. In addition, as a multidimensional poverty standard under a multidimensional standard system, it is no longer necessary to include income indicators.

Fifth, indicators of shared prosperity. Promoting shared prosperity is one of the two goals set by the World Bank in 2013 in parallel with poverty eradication.<sup>20</sup> The shared prosperity focuses on the growth of income or living standards of 40% low income population and its improvement relative to the other 60%. One of the main indicators of shared prosperity is the shared prosperity premium, that is, the ratio of the income or consumption growth of 40% low income population to the average

 $<sup>^{18}</sup>$  At present, most studies set the proportion of the relative poverty standard at 40%, which shows its feasibility with a lower standard. In this research scheme, due to the existence of the minimum poverty standard, the income ratio in the relative poverty standard does not have to be too low. Consistency with OECD is conducive to comparison.

<sup>&</sup>lt;sup>19</sup> Wang and Feng (2020).

<sup>&</sup>lt;sup>20</sup> World Bank (2016).

social growth rate. The average income or consumption level, growth rate of 40% low income population and its premium relative to the social average level should be important indicators of common prosperity.

(2) Reforming and improving the household survey system to meet the needs of relative poverty monitoring.

In order to meet the needs of multi-poverty monitoring in urban and rural areas, the current national household survey and statistics system needs to be reformed and improved. First, we need to further improve the urban–rural division in the household sampling system, increase the samples of permanent floating population, improve the urban–rural distribution of samples and the representativeness of floating population, and finally realize poverty monitoring based on permanent population. Second, we need to improve the contents and methods of household surveys, reduce reporting errors, and adapt to the needs of relative poverty and multidimensional poverty monitoring. Third, we need to improve the representativeness of county-level samples and strengthen the survey and monitoring of county-level households in relatively poor areas. Fourth, we need to improve the analysis of sample data, and identify the non-poor samples in 20% low-income groups (caused by income fluctuations), so that the data of low-income groups can better represent low-income groups.

## 6.4.5 Building a Routine Relative Poverty Governance System with Central-Local Coordination and Urban–rural Coordination

The pattern of poverty alleviation coordinated by the central and local governments will be optimized to strengthen the role of local governments and social forces.

After 2020, the pattern of poverty alleviation led by the central government, which has been formed for a long time in the past, should be adjusted and optimized. On the basis of optimizing the function of the central government, we will strengthen the role of local governments and social forces, and create a new pattern of poverty alleviation coordinated by the central and local governments. First of all, we should maintain the system of overall planning by the central government, overall responsibility by provinces, and graded responsibility and concerted efforts by cities and counties. However, the responsibilities at all levels will be adjusted accordingly, and the central responsibilities will be transformed into national strategies, standards, statistical monitoring, institutional systems, coordination and guidance. Local governments will assume more specific responsibilities and have the autonomy to implement a higher level of relative poverty alleviation strategies and policies according to their own economic strength. Second, poverty alleviation is managed by the Party and the five-level Party secretaries. The responsibility system of the top leaders of the

Party and government is included in the priority mechanism of rural vitalization. Consolidating anti-poverty achievements and alleviating relative poverty is the part of rural vitalization. Third, we need to optimize and strengthen social poverty alleviation, integrate poverty alleviation cooperation and targeted poverty alleviation into a development cooperation mechanism, and greatly strengthen the participation of social organizations. Finally, establish the system of sending cadres to grass-roots party organizations or villages with weak economic development, and replace the system of helping households by strengthening rural social services.

(2) Transition to the institutionalized and legalized anti-poverty system of urban and rural co-ordination.

Under the premise of new definition of poverty and the transformation of development-oriented poverty alleviation policy, the rural special poverty alleviation and development system, which targets the rural poor and development-oriented poverty alleviation, should be gradually adjusted as a part of the national social welfare work with support from development and social protection at its core. As required by urban and rural integration, we will set up a special anti-poverty work organization in the national civil affairs department to integrate anti-poverty work with urban and rural subsistence allowance. An anti-poverty coordination mechanism should be created jointly by the Ministry of Civil Affairs, the National Development and Reform Commission and the Ministry of Agriculture and Rural Affairs for the development of relatively poor areas and rural vitalization. Until the mechanism is formed, the current poverty alleviation office system can be retained for another three years or so. The routine anti-poverty system in the future will be carried out by due standards and procedures. It is thus recommended that the State should formulate anti-relative poverty laws or regulations in a timely manner to stipulate the rights and obligations of the State, government departments and target population, so that relevant supporting measures can be followed by laws.

(3) Enhance the service ability of discovering relative poverty and intervening in grass-roots society.

In the future, the discovery and intervention measures for relative poverty should be responsive and integrated. Responsibility means that the relative poverty phenomenon in grass-roots communities can be quickly discovered, identified and included in the protection by the complementary way of family application and grass-roots cadres' active discovery. Integration means that, like affordable poverty alleviation measures for targeted poverty reduction, a variety of policies can be jointly applied according to the unfavorable conditions of families. These two aspects depend not only on the system of policy integration, but also on the improvement of grassroots governance mechanism and the enhancement of public service capacity. On the one hand, the enhancement of grass-roots social service capability depends on the strengthening of community autonomy and self-service capability; on the other hand, it depends on purchasing services from social organizations and enhancing volunteer services.

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