

**An Exploration into the “Industry-based Poverty Alleviation Pattern” Adopted by  
Agricultural County in Hilly Area**

**- Based on an Investigation and Research on Xichong County, Nanchong City**

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**Abstract**

*Xichong County, Nanchong City is a typical agricultural county in hilly area. Now the county has 79 poor villages with archives established, 25 thousand poor people, 40 villages accommodating 12068 people are scheduled to be lifted out of poverty in 2016. In the process of targeted poverty alleviation, the county sticks to the industry-based poverty alleviation pattern featuring “pushing it forward as a whole, driving a whole area, comprehensive considerations, and in addition, it focuses on the leading role being played by establishing the demonstrative model of western modern agriculture, as a result, it has achieved remarkable results. By adhering to the close combination between industry cultivation and striving for poverty alleviation, the target set for poverty elimination that “each family shall have a characteristic industry providing stable returns each year” has been basically realized.*

**Keywords:** agricultural county in hilly area; industry-based poverty alleviation.

**1. An Exploration into the “Industry-based Poverty Alleviation Pattern” Adopted by Xichong County and the Results Achieved****1.1 Accurate Execution of the Policy and Overall Planning**

By focusing on the regional characteristics and resource advantages of Xichong County and combining the existing “2+4” Development Plan for Modern Agricultural Industry (two leading industries: cereal and oil, livestock and poultry; four characteristic industries: navel orange in Xifeng, fragrant peach in Chongguo, chili in Erjingtiao, sweet potatoes in Chongguo), the county will give priority to the establishment of the characteristic industrial layout in poor villages and ensure that the income increasing industries will cover all villages.

1.1.1 The county should implement policies based on the categorized division so as to make the target clear to us all. The county should use the result of accurate identification of the poor households, in particular, it should mainly base on the basic conditions of the poor villages and the status quos of their industries, with focus given to the causes of poverty for those poor households. By doing so, we can exploit the existing resource factors and comply with the big trend of appropriate scale operation of modern agriculture. Furthermore, we can offer guidance and implement the policies based on villages and households so as to try the best to ensure all poor villages have an advantageous and

dominant industry, a new driving body, a set of poverty elimination and income increasing mechanism, an income from collective economy, and thus to lead and bring all poor households into the modern agricultural industry system.

1.1.2 The county should prepare our plan based on a high standard. Following “East-Peach, West-Orange, South-Sweet Potato and North- poultry”, the general layout for the industries of the country, the county should set our major direction as “standardized production, scale development and industrialized operation, and thus we have prepared the *Special Plan for Industry-based Poverty Alleviation in Xichong County during the Nation’s 13<sup>th</sup> Five-Year Plan*, in which we have detailed one after another the execution plans for industrial development in 79 poor villages, planned the construction of a cereal and oil base of 50 thousand mu, a citrus base of 40 thousand mu, a fragrant peach base of 20 thousand mu, a sweet potato base of 15 thousand mu and a Erjingtiao chili base of 10 thousand mu; additionally, in developing its characteristic small poultry farming industry, the county will farm 5 million small poultries. In this way, it will realize an annual industry-based income growth of 6 thousand *yuan* for the poor households, and hence ensure the complete poverty elimination in 2017.

1.1.3 The county should integrate multiple industries to promote development. The county should stick to the “three combinations” – the combination of industrialized planting and breeding, the combination of ecological agriculture and tourist industry and the combination of long effectiveness and short effectiveness. We have relied on and offered support to three agricultural product processing zones, successfully attracted 27 enterprises for producing and processing agricultural products and solved the nearby employment issue for 5000 persons (times) for poor farmer households. We have constructed the trading center for organic agricultural products in accordance with high standard and have effectively solved a number of difficult issues in reality, such as the agricultural social service and product sales. A hundred kilometers of rural tourism ring road that cover “three mountains, two lakes, two villages and a former residence has been basically formed. The county should create a strong regional brand, combine existing resources and build a large marketing platform for organic agricultural products in Xichong County. Also the county should regard “internet + business model” as our focus, support individuals to develop e-commerce, consolidate and develop agricultural boutique

parks that stress on recreation and sightseeing, thus to realize the integrated multi-format development of agriculture.

## 1.2 Cultivate the New “Subject” and Preferred Pattern

For the systematic defects that result in low income growth for poor households, we should make bold exploration and try the new pattern of industry-based poverty alleviation.

1.2.1 The “collaborative management pattern” led by leading enterprises. The county should bring the leading role of 105 leading agricultural enterprises at the municipal or provincial level into a full play and improve the “benefit linking mechanism”, including “five parties linkage” and “five unions and three divisions”, so as to invite more poor households to share their business achievement in the context of agriculture industrialization. Baike Company adopts a production mechanism where it joins the agricultural community by quantifying the land, rents a place to build the industrial park where the leading market will lead and manage the product collectively. The company has built a standard park that occupies a land area of 11 thousand mu and integrates organic planting and breeding and rural tourism into one place. In doing so, 31 poor households have been invited to contract a land area of 120 mu, thereby realizing an average annual income growth of more than 30 thousand *yuan* per year, so all of them have been lifted out of poverty in advance of the schedule.

1.2.2 “Collective Management Pattern” led by the village community. The village will lead up in establishing a Land Stock Cooperative under which the poor household will hold shares in the forms of land or labor service and obtain the dividends. The Land Stock Cooperative will be built, managed and operated jointly by the village collective, which will withdraw public welfare fund from the annual returns in order to support extremely poor farmer households and prevent market risk. Tiaodenghe Village has collected a fund in an amount of 1.06 million *yuan* over the last 3 years and has further reclaimed a land area of more than 620 mu, which are used to build a standard fragrant peach base and a standard orange base. The village has used the 10% of both the share revenue of the village collective and the revenue from the operation of “agritainment” to support 18 poor households in the village. In this way, it ensures quick poverty elimination and prevents them from being re-listed under the poverty line.

1.2.3 The “entrusted management pattern” as lead by a capable man. In a remote poor village where the infrastructure is weak, industries lag behind and the labor is in shortage, the shareholding by farmers in the form of their input labor and the discussion of matters separately by the village community, thus to build a characteristic industrial base covering the whole village; Then, it relies on a capable man for centralized management and operation. 30 to 60% of its net revenue will be allocated to households. A villager from Gulou Town returned to the village in 2008 to lead two villages to develop a large scale peach base in an area of more than 960 mu, realizing a production value of 18 million and help 57 poor households to realize an average income growth of more than 6 thousand.

### 1.3 Deepen Reform and Make Bold Innovation

The county takes the chance of a pilot reform being carried out throughout the province on increasing farmers’ financial income to continuously deepen its agricultural and rural reform.

1.3.1 Adjust the market structure. The county should adjust the supply-side structural reform on the agriculture and adjust the varieties of the planting and farming industry and quality structure in such way that those with good quality and higher benefits, such as the organic cereal and oil, characteristic fruit and poultry farming will be regarded as the key industries for poverty elimination and income growth. The county will strive to mainly promote two new good varieties so that they can completely cover 79 villages within 2 years. Meanwhile, market-oriented operation mechanism, such as the cultivation of professional managers and the financial investment services, will become increasingly complete.

1.3.2 Increase the efforts spent on reform. The country should highlight the emphasis on “three transformations, five reforms and five breakthroughs”. During the reform, the country has issued 234 thousand pieces of various kinds of certificates of title - 80% of the work load for the confirmation of ownership and certificate issuance has been completed. The county is actively carrying out the pilot project for rural property mortgage financing – 4 rural investment and financing guarantee companies and 2 rural financial comprehensive service stations are established in the county. Rural property value evaluation and collect and storage guarantee platform has been built all around. 29 rural financial products have been innovated and an amount of 1.15 billion *yuan* has been financed under rural

property mortgage. The rural property rights circulation trade has exceeded 20 million and the comprehensive guarantee capacities for industry-based poverty alleviation have greatly improved.

1.3.3 Optimize the allocation system. The county should make best use of the political input in poverty alleviation. It should take the means of direct participation, shareholding in the forms of factors and revenue allocation to make the division of revenues for input from collective assets, funding for industry-based poverty alleviation and national projects. At least 30% of such revenue should be used to offer support to special poor households. Priority should be given to the satisfaction of poor households in terms of the labor use and contract and sub-lease. In addition, the subsidy fund provided by the government in support of the development of the citrus industry should be quantified and converted to shares. 30% of its dividend revenue will be withdrawn and used in priority for the support of poor households and other public undertakings.

#### 1.4 Integration of Resources and Driven by Factors

We should highly integrate the existing resource factors in rural areas and focus on offering support to industrial projects in the poor villages, thus to lay a solid foundation for industry-based poverty alleviation.

1.4.1 Promote the land circulation. We should lead the village community in establishing a land cooperative. We should give priority to the listed circulation of the land of poor villages and households and hand over the separated operation of land to cooperatives for unified circulation. As for a number of uncertain factors, such as the rise in prices, a dynamic adjustment – “calculate the rent using fixed physical objects and negotiate the price using market trend of current year” will be used to ensure the rights and interests of the farmers and reduce the operation risk of the enterprises. Jia He Xing Company adopts the practice of a guaranteed minimal rent and the division of profits in proportion. In this way, it has helped 67 poor households and circulates a land area of 320 mu.

1.4.2 Strengthen the support of science and technology. We should rely on the exchange and cooperation platforms, such as the “China-France Agriculture” and “Taiwan Agriculture” to increase the training on practical agriculture skills and the efforts spent in introducing top-level talents. Priority

should be given to the inclusion of poor households into the training set for professional farmers and managers. A number of industry unions (or associations) should be established, i.e. citrus and peach product association. We should adopt the way of forming a group consisted of “chief expert + industry expert + mass expert” and let them go to the poor villages and households to offer guidance services, i.e. the “four innovations”, etc. By doing so, it can be ensured that each industry has a technical service team, each village has a key technician and each household has a family member who clearly knows about the industrial development.

1.4.3 Increase the input guarantee. We should establish a diversified, poverty alleviation related input mechanism featuring “government-dominated, farmer-centered, society involved and credit supported” pursuant to the budget of the planning for poverty alleviation related industries. Each year the same level finance will appropriate 80 million *yuan* as the fund for industry-based poverty alleviation, collect 0.4 billion *yuan* approximately for agriculture related projects and absorb the donation from the society in an amount of 30 million *yuan* approximately. The government has established a risk guarantee fund. The financial institution will offer subsidized loan (50 thousand *yuan* to the maximum) to each poor household and for the professional cooperative, the amount of the subsidize loan will be 500 thousand per each professional cooperative. The centralized poverty alleviation will crack the “bottleneck” of financial restriction.

### 1.5 Confirm the Direction and Implement the Promotion

The county always regards the industry-based poverty alleviation as the central work that overwhelms everything. Also, it strengthens the inspection and notification, as well as the accountability and being result-oriented.

1.5.1 Strengthen the organizational guarantee. The county should establish a leading team for industry-based poverty alleviation. In such team, the major leaders of the municipal government will be appointed as the team leader and the chief responsible persons of the village or town will be recruited as the members of such team. Also the county should establish a joint conference system for industry-based poverty alleviation. The major leaders of the county party committee and county government will go to the industry development site in poor villages, where they will discuss the

poverty elimination measures with the cadres of the villages and poor households. The cadres of the villages or towns will spend their efforts in guiding the industry development of the poor villages. Preference will be given to those reserved cadres who are familiar with the industrial development. They will be appointed as the “first secretary” of the poor village. The leading team of the poor village will be comprised by a full panel of talent leaders, thus to form a pattern of joint management and operation.

1.5.2 Strengthen the duty fulfillment. We should stick to the principle that the work should be done to each village, the poverty alleviation should be targeted at each household and the responsibilities should be held against each person. In the poor villages, we should implement the “five priorities” work promoting mechanism. The industry-based poverty alleviation planning should be broke down into specific work tasks, into relevant departments, villages, towns, village community and people, so that each task will have a time limit and specific people being held responsible for it, and remarks and evaluation can be carried out for all the tasks.

1.5.3 Strengthen the inspection and supervision. We should make comprehensive use of the effectiveness audit and third party evaluation for poverty elimination work. 4 inspection teams will be formed by dispatching personnel from departments, including Agriculture & Industry Office of the country, Visual Inspection Office, Audit Office and Poverty Alleviation and Regional Immigration Office. Those 4 inspection teams will carry out specific inspections on industry-based poverty alleviation and they will take measures including account book management, task-tracking, follow up and supervision and stationed urge to urge relevant people to do a good job in rectifying and implementing the works assigned to them.

## **2. The Route to Optimize the Industry-based Poverty Alleviation Pattern**

Some concrete issues also exist in the industry-based poverty alleviation. For example, the infrastructure planning and construction for target villages of the poverty alleviation remains to be irrational, and thus lacking relatively good guarantee for sustainable development of the industry. We have sorted out several optimization routes in view of those issues:

Firstly, the public opinion guidance must play a correct role in collecting powers and generating strength. In our visit, we found that the masses not only have the good comments on “making breakthroughs in poverty elimination”, but also have “negative comments”, especially in such aspects as the propaganda of policies and the solution of urgent or difficult matters, further stringent requirements should be raised and the way we are doing our works should be improved. Making breakthroughs in poverty elimination is not only related to the masses, but is also in close relation with the government. It is also a big issue that is closely related to all circles within the society. Therefore, we should increase the publicity of it and use simple word to convey the most profound spirit of the document, the plainest language to shorten the distance between the cadres and the masses, thereby ensuring the concerted efforts are spent on the poverty elimination work and that the poverty elimination work can be completed in all aspects in advance.

Secondly, project link must be “at the same frequency” and “forms a resonance”. In Xichong County’s poverty elimination process, still there are some relevant units who do not cooperate as expected and many large and good projects have not been arranged for the execution of lower administration level in a timely manner, resulting in the failure to advance part of the front line works in counties or villages. For example, the improvement of the land in Dongdai Village and the infrastructure construction in Shanpingtang, the advancement of those people-benefit projects is quite slow because the provincial and municipal departments have not grant the quota. Only by constant improvement of the infrastructure, can the industry have a platform to develop based on it. It is suggested that the provincial departments should pay high attention to this, and that they can adjust the project planning immediately and handed out the project indicators to the community level swiftly, thus to ensure that the leaders there with great motivation and capabilities can successfully finish the task as to shake off the poverty and become prosperous.

Thirdly, the industry development must be planed ahead. Industry-based poverty alleviation work is a large and good issue concerning the immediate interests of the masses. However, actual conditions must also be taken into consideration - the weak economic foundation in certain villages and towns; Agriculture products for relevant industries are planted and fostered in order to shack off the poverty, if it results in a saturated market and the products produced by those villages and towns are not competitive in the market, it will result in reduced income for farmers and hence most farmers will become poor again. Relevant departments at provincial or municipal level should plan ahead and

adopt multiple measures to ensure the interests of the masses won't be affected and the development of the society is harmonious and stable.

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