

The Practice, Dilemma and Path Optimization of Financial Technology Assisting Rural Revitalization in Anhui Province

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Abstract

The application of financial technology in China has become increasingly widespread, especially in the field of rural revitalization. In practice, as far as Anhui Province is concerned, financial technology is an important contribution to promoting the overall revitalization and development of rural areas. However, there are also many practical dilemmas such as insufficient investment in rural digital infrastructure, lack of financial technology talents, low data sharing, backward and single regulatory means, and low popularization of financial technology knowledge. To this end, it is recommended to optimize the practical path of financial technology to assist rural revitalization in Anhui through appropriate financial policy preferences, promoting the accelerated return of talent, accelerating rural data connectivity, improving the level of technology supervision, and increasing publicity.

Keywords

Financial technology; Rural revitalization; Path optimization.

1. Introduction

"If the nation wants to revive, the countryside must be revitalized." As for Anhui, a major agricultural province in China, the agricultural infrastructure is large but not strong. Compared with rural areas in some coastal cities, rural economic and social development is relatively lagging behind, not only in the process of agricultural industrialization, but also in the development and innovation of rural financial services.

To accelerate the revitalization and development of rural areas in Anhui, financial technology is an important source of power. As early as 2018, the "Implementation Opinions of the CPC Anhui Provincial Committee and the People's Government of Anhui Province on Promoting the Rural Revitalization Strategy" explicitly required "to strengthen innovation in financial service methods, allocate more financial resources to key areas and weak links of rural economic and social development, and better meet the diversified financial needs of rural revitalization." In order to further clarify the supportive role of financial technology, In 2022, the People's Bank of China issued the "Opinions on Doing a Good Job in Financial Support to Comprehensively Promote Rural Revitalization in 2022", emphasizing again the need to "steadily improve the level of financial services for rural construction", "financial institutions should innovate financial products and service models", and in particular, "strengthen the positive role of financial technology in empowering rural revitalization."

In view of this, in the context of the current rapid development of financial technology and the comprehensive implementation of the rural revitalization strategy, it has important practical value and significance to study the theoretical logic, practical effectiveness, main difficulties, and path design issues of financial technology to assist rural revitalization in Anhui.

2. Theoretical Logic of Financial Technology Assisting Rural Revitalization in Anhui Province

Scientific and technological innovation is the fundamental driving force for promoting agricultural and rural modernization and overall rural revitalization. To solidly promote the revitalization and development of rural areas in Anhui, resolve existing contradictions and problems, and paint a beautiful picture of rural revitalization in Anhui, there is an urgent need for the support of technological innovation, especially the guiding and enabling role of financial technology.

Finance is the lifeblood of economic development, and has great advantages in promoting capital accumulation and guiding resource allocation. Finance is the hub of resource allocation, and it is also the key driving force that currently empowers rural revitalization in Anhui. As a technology driven financial innovation, financial technology can open up the "last mile" of basic financial services, enhance the inclusiveness of rural financial services, assist in the modernization of agricultural industries, and play a positive role in rural revitalization. Through the application of information technology, more financial resources can be allocated to key areas and weak links in rural areas [2], which helps to reduce information asymmetry, provide the required funds and financial services to rural areas in a timely and efficient manner, and better meet the needs of rural revitalization. The promotion and application of financial technology in rural areas can assist in the innovation of rural financial products and services, effectively improve the efficiency of rural financial services, broaden the boundaries of rural financial services [3], help improve the availability of financial products and services in rural areas, and effectively alleviate rural financing constraints. The important task of financial technology in promoting rural revitalization is not only to solve the "difficult financing" and "low service" problems in rural areas, but also to make cutting-edge technology popular with people's livelihood, improve the coverage, satisfaction, and convenience of rural life. At the same time, due to the inherent drawbacks of traditional finance, the practical application of financial technology in rural revitalization is also limited, and there are many development issues and key pain points [5].

The development and application of financial technology also promote the development and promotion of digital finance in rural areas, stimulate the enthusiasm of rural residents to understand and use digital finance, help create a good atmosphere of innovation and entrepreneurship in rural areas of Anhui, and continuously promote the development of rural economy and the improvement of digitization level in Anhui. As one of the important landing models of financial technology, digital finance helps to accurately locate innovative resources, improve the efficiency of search and matching, promote the development of characteristic industries in rural areas, the sales and circulation of characteristic agricultural products, and provide support for rural revitalization [6]. Of course, although digital finance is a new way to boost the prosperity of rural industries and achieve rural economic revitalization, there are also problems such as limited supply capacity, insufficient integration with rural industries, and poor rural financial ecological environment.

In addition, the development of financial technology can also promote rural governance and the improvement of the ecological environment, enhance the digital level and efficiency of rural governance, reshape the financial ecological environment in Anhui rural areas, remove bottlenecks and obstacles for financial technology to support rural revitalization, and

effectively help improve the income and wealth of rural residents in Anhui. Therefore, financial technology has a positive role in promoting the prosperity of rural industries, ecological livability, rural civilization, effective governance, and prosperity in Anhui. However, it should also be noted that the enabling and supporting role of financial technology is also constrained by multiple factors, and may affect the effectiveness of promoting rural revitalization in Anhui.

3. The Practice and Dilemma of Financial Technology Assisting Rural Revitalization in Anhui Province

As a major agricultural province and one of the important battlefields for rural revitalization in China, rural areas in Anhui are actively practicing financial technology to support rural revitalization. However, there are still many difficulties and problems that are seriously hampering the enabling and supporting role of financial technology in rural revitalization in Anhui.

3.1. Existing practice of financial technology assisting rural revitalization in Anhui province

Since the proposal and implementation of the rural revitalization strategy, Anhui Province has always attached great importance to the development of financial technology to serve rural revitalization. In April 2021, Anhui Province was determined as the construction province of the demonstration project of financial technology enabling rural revitalization by seven ministries and commissions, including the People's Bank of China and the Ministry of Agriculture and Rural Affairs. In practice, Anhui not only innovates and develops digital financial services and products for rural areas, but also selects 30 demonstration projects through repeated research and demonstration, covering multiple basic livelihood fields such as rural medical care, e-commerce, convenient payment, service microenterprises, mobile payment, and supply chain finance, to effectively create financial products and services that meet the needs of rural areas in Anhui, continuously improve the sense of access, security, and happiness of rural residents in Anhui Province towards financial technology.

In the practical process of using financial technology to assist rural revitalization, a number of successful case models have emerged in the vast rural areas of Anhui. For example, Bozhou Yaodu Rural Commercial Bank has launched services such as "Revitalizing E-Loan" and "Jinnongyi Loan". These services utilize big data technology to build a trust mechanism, achieve online one-stop rural credit business processing, and provide fast credit extension services and supply chain financing services for rural areas in Bozhou. Dongzhi County actively promotes the return of rural finance to its roots and serves rural revitalization. By building a credit village and creating a "red letter e-loan" platform, it has achieved full coverage of financial products and financial services in rural areas. As of now, the total amount of online credit has exceeded 3 billion yuan, giving good play to the enabling role of financial technology. Fuyang City Construction Bank has launched a financial service model of "Smart Agricultural Industrial Chain Ecological Scenarios", aiming to provide panoramic financial technology services for the vast rural areas and millions of rural residents in Fuyang, and assist in the revitalization and development of rural areas in Fuyang. Huishang Bank cooperates with Anhui Provincial Guarantee Company to launch the "agricultural e-loan" product, using scientific and technological means to establish anti fraud, scoring, credit granting, and pricing system models, providing efficient online solutions to the problem of insufficient guarantee for leading agricultural enterprises and pig breeding enterprises. In addition, Anhui Rural Credit Union is also committed to bringing together existing platforms, focusing on creating a "cloud payment" platform service to meet various convenient services such as living and communication payments for rural enterprises and rural residents, and taking this opportunity to promote the

development of online financial services by agricultural and commercial banks across Anhui to assist in rural governance.

These successful practices have shown that Anhui should take the road of financial technology to assist rural revitalization. That is, it is necessary to further promote financial technology to better serve the revitalization of rural areas in Anhui, and continuously optimize the practical path of financial technology to assist the revitalization of rural areas in Anhui.

3.2. The realistic dilemma of financial technology assisting rural revitalization in Anhui province

Financial technology is helping Anhui rural revitalization in the ascendant, and there are practical difficulties such as insufficient investment in rural digital infrastructure, a shortage of financial technology talents, low data connectivity rates in rural areas, backward and single regulatory means, and low popularization of financial technology knowledge. The specific analysis is as follows:

First, rural digital infrastructure investment is insufficient, financial technology coverage is narrow, and penetration is low. Financial technology is based on a series of underlying technologies such as big data, cloud computing, artificial intelligence, and blockchain. These underlying technological innovations and applications require significant capital investment, especially in the construction of digital infrastructure that covers vast rural areas. In recent years, the Anhui Provincial Government has attached great importance to digital infrastructure and issued the Action Plan for Accelerating the Development of the Digital Economy (2022-2024), which plans to implement five actions in terms of technological innovation, industrial digitization, digital industrialization, digital infrastructure, and data element value. However, in terms of implementation, Anhui's digital infrastructure is still mainly concentrated in the provincial capital cities, and is still in the initial stage, making it difficult to rapidly radiate to the vast rural areas of Anhui. In addition, the construction of rural digital infrastructure in Anhui Province is a difficult project with high risks, high costs, and low returns. It is difficult for scarce digital infrastructure funds to enter rural areas in large quantities. Many rural areas in Anhui Province even have relatively backward basic network communication facilities, resulting in very weak digital infrastructure construction in rural areas in Anhui Province. The problems of narrow financial technology coverage and low penetration are relatively difficult to effectively solve in the short term.

Second, financial technology talents are relatively scarce, and the development and promotion of rural financial technology innovation are slow. The innovation, development, and application of financial technology require a large number of specialized talents who understand financial knowledge, agricultural development, and information technology. The supply of such high-tech and high-level talents is in short supply. In the fierce urban competition, financial technology talents will only flow to large cities with excellent treatment and good environment, such as Hefei, Shanghai, Nanjing, and other first-tier cities. This obviously cannot meet the urgent demand for financial technology talents in rural areas of Anhui Province. Driven by the increasingly fierce "urban talent competition", it will also cause more and more financial technology talents to flow out of Anhui Province. In addition, the loss of a large number of young and middle-aged labor forces in rural areas of Anhui further increases the difficulty of the development and promotion of rural financial technology in Anhui, resulting in the increasingly slow development and promotion of innovation in rural financial technology in Anhui.

Third, data sharing in rural areas is low, and the impetus for digital transformation of rural financial services is insufficient. Rural revitalization involves five major areas, including industry, ecology, rural ethos, governance, and life. Relevant data are generated by multiple entities, with large magnitude, multiple types, and a lack of unified collection, collation, and storage standards. Without precise and highly shared data support, it is difficult for financial

institutions to timely grasp the financial needs of agricultural and rural farmers, which hinders data sharing in the credit reporting process, leading to the inability of the financial industry to effectively use big data to analyze rural customer needs, and then strive to provide appropriate financial technology services for rural areas. At the same time, the level of economic development in rural areas of Anhui is relatively low, and the digital divide between urban and rural areas is also relatively serious. Many rural areas do not have readily available platforms to borrow. In addition, problems such as short credit cycles, small single transaction volumes, high costs, and high risks persist in rural areas for a long time, resulting in low enthusiasm and insufficient motivation for the digital transformation of rural financial services in Anhui.

Fourth, the backward and single regulatory means of financial technology are not conducive to the prevention and control of financial technology risks in rural areas of Anhui. Comparatively speaking, the potential financial demand customers in the vast rural areas of Anhui are generally "non high-quality" customers. Not only are the income levels of rural residents to be served relatively low, but also the agricultural production they are engaged in is often affected by abrupt climate changes, resulting in uncertainty in operation and harvest. In addition, most rural residents in Anhui Province have a weak awareness of financial risks and weak repayment ability. Carrying out financial technology services in rural areas, their information security risks, credit risks, operational risks, and legal risks are extremely prone to outbreaks and may lead to adverse consequences. To regulate financial technology risks, technological means are needed. The traditional offline financial risk supervision concepts and practices have fallen significantly behind, and the diversity of financial technology services has also posed a challenge to the single approach of ex post supervision. The lagging regulatory concept and single regulatory means are not conducive to the prevention and control of financial technology risk issues in rural areas of Anhui, and are not conducive to the orderly and standardized development of financial technology.

Fifth, the low popularity of financial technology knowledge in rural areas is not conducive to rural residents searching for and using online financial services and financial products. Fintech is an abbreviation for "Financial Technology", meaning "finance+technology". From a financial perspective, it refers to the use of technological means by financial institutions to provide digital financial services and products. It is a newly emerging financial phenomenon that has emerged in recent years. Considering the relatively low cultural level of rural residents in Anhui, coupled with the negative impact of frequent Internet financial risks, it is difficult to quickly popularize and generally accept financial technology knowledge in rural areas of Anhui, which is not conducive to stimulating the enthusiasm of rural residents in Anhui to search for and use online financial services and financial products, resulting in a relatively weak customer base for using financial technology to assist in rural revitalization in Anhui.

4. Path Optimization of Financial Technology Assisting Rural Revitalization in Anhui Province

Financial technology has broad prospects for rural revitalization in Anhui, but it is also struggling due to numerous difficulties. Therefore, based on the existing practical foundation in Anhui, it is necessary to continuously improve and optimize the practical path to effectively enhance the practical effectiveness of financial technology in promoting rural revitalization in Anhui.

4.1. Financial policies should be appropriately oriented towards rural areas to accelerate the construction of digital infrastructure in rural areas

Financial technology can not help rural revitalization without government support for rural digital infrastructure construction. The governments of various regions in Anhui Province

should give full play to the support and guidance role of financial policies, appropriately tilt investment in the construction of digital infrastructure in rural areas, and actively guide social capital to increase its participation in the construction of rural digital infrastructure. In particular, the three major telecommunications operators should be encouraged to increase the sinking strength of infrastructure construction, and effectively reduce the use fees for telecommunications services and products in the vast rural areas of Anhui Province, Increase the depth of rural use of the Internet. At the same time, the government can also formulate support policies to guide domestic large and medium-sized financial institutions to accelerate the deployment of financial technology in rural areas of Anhui, and provide a good ecological environment for the development of financial technology in rural areas of Anhui based on continuous improvement of infrastructure in rural roads, health, education, and other fields, so that more financial technology services can be covered and infiltrated into rural areas, and be used by rural enterprises It is commonly used by rural residents and rural organizations.

4.2. Actively drain and cultivate financial technology talents, promote the accelerated return of talents to serve the countryside

The shortage of financial technology talents is an important reason that restricts the accelerated promotion of rural revitalization in Anhui Province. Therefore, we should take multiple measures to promote the accelerated return of talents and serve rural construction through active drainage and talent cultivation. On the one hand, relevant policies have been introduced to encourage and attract young talents, including college students, to return to their hometown for entrepreneurship and employment. Young talents generally have active thoughts, high acceptance of financial technology, and skilled use, making them a fresh force in serving the revitalization of rural areas in Anhui. On the other hand, it is necessary to strengthen the training of financial technology talents. Anhui agricultural and liberal arts colleges and universities should increase the number of financial technology majors and cultivate more comprehensive talents who understand financial technology. Anhui rural financial institutions and agricultural enterprises should strengthen staff training in financial technology knowledge, and strive to cultivate and cultivate a group of high-level financial technology talents who understand "agriculture, rural areas, and farmers".

4.3. Promote innovation in financial technology services and accelerate the pace of rural data connectivity

Financial service rural revitalization needs to achieve precision and efficiency. Financial institutions should explore financial technology service models based on the law of rural revitalization and development in Anhui, focusing on innovative financial technology products and services. Anhui should continue to promote the implementation and construction of financial technology applications, create a financial technology service process for the entire agricultural industrial chain, and build an ecological scenario for financial technology services based on the characteristics of county and rural areas. Anhui should continuously enrich the content of financial technology services, expand the field of financial technology related to agriculture, improve the rural coverage of supply chain finance, digital payment, digital credit, digital insurance, and other services, and provide characteristic financial technology services based on the rural economic foundation of various counties and regions in Anhui. It is necessary to vigorously explore the construction of an Anhui rural data service platform, accelerate the pace of Anhui rural data interconnection, access various financial institutions' financial technology platforms in the platform, and serve the revitalization and development of Anhui rural areas in a timely, convenient, and efficient manner.

4.4. Improve the level of technology supervision and improve the efficiency of financial technology supervision

There are many risks in the innovation and application of financial technology, and reasonable and effective supervision must be carried out. The financial supervision department should access the Anhui rural data service platform, guide and standardize the service behavior of financial technology institutions by formulating corresponding policies and regulations, improve the openness of financial technology service information, incorporate artificial intelligence supervision and automatic early warning into the regulatory system, effectively improve the level of scientific and technological supervision, and improve the ability of prior supervision. It is necessary to explore and construct a risk evaluation mechanism for financial technology institutions to serve the revitalization of rural areas in Anhui, further improve the financial technology regulatory system, promote the orderly and efficient development and innovation of financial technology, and better play a positive role in assisting the revitalization of rural areas in Anhui.

4.5. Increase publicity efforts to comprehensively reverse negative public opinion

Strengthen education and publicity through the combination of online and offline methods, and promote the popularization of financial technology knowledge in rural areas through multiple channels and channels. For agricultural entities lacking in financial technology knowledge, free financial technology knowledge training will be provided, and a guidance mechanism for financial technology services will be established to enable rural residents in Anhui to fully understand financial technology. It is necessary to focus on strengthening financial technology risk education, targeting the supply side, demand side, and intermediary platforms of financial technology transactions, producing online financial media materials, publicizing financial technology risk cases and their legal consequences, giving full play to the role of warning and educating all trading parties and comprehensively reversing negative public opinion, and further consolidating the practical foundation of financial technology to help revitalize rural areas in Anhui.

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