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Report Highlights:

On January 19, 2014, the Central Committee of the Communist Party of China and the State Council unveiled its first policy document for 2014. This document, referred to as the No.1 Document, traditionally has focused on advancing rural issues.

Major policy measures indicate China's intent to improve the mechanisms for safeguarding food security, seek sustainable agricultural growth while balancing rural and urban development, deepen rural land reforms and promote financial support for rural areas.

This report provides an unofficial translation of the No.1 document.

General Information:

BEGIN TRANSLATION

Several Opinions Concerning Comprehensively Deepening the Rural Reform and Pushing Forward and Speeding up Agricultural Modernization Printed and Distributed by the CPC Central Committee and the State Council

Beijing, 19 January (Xinhua) -- The CPC Central Committee and the State Council have recently printed and distributed “Several Opinions Concerning Comprehensively Deepening the Rural Reform and Pushing Forward and Speeding up Agricultural Modernization.” The full text of the document is as follows:

In 2013, the development of agriculture and the rural areas got better and better in a sustained manner, progress was made while maintaining stability, a new historical height was scaled in grain output, the income gap between the urban residents and the rural residents continued to narrow, the rural reform developed in depth and intensity, new improvement was made in the people’s livelihood in the rural areas and harmony and stability were maintained in the rural society.

The economic and social development of our country is in a transformation period and the rural reform and development are faced with a more complicated environment and increased difficulties and challenges. The rapid development of industrialization, informatization and urbanization has made the demand for simultaneously pushing forward agricultural modernization more urgent, the contradiction between ensuring the supply of grain and other important agricultural products and the bearing capacity of resources and the environment has become increasingly more acute and the profound changes in the economic structure and the social structure have put forward tasks in innovating rural social management that badly need to be fulfilled. It is imperative to comprehensively implement the spirit of the 18th CPC National Congress and the Third Plenum of the 18th CPC Central Committee, further emancipate the mind, seek progress while maintaining stability, carry out reform and innovation, resolutely eliminate drawbacks in structures and mechanisms, unshakably uphold the position of agriculture as the foundation and push forward and speed up agricultural modernization.

To comprehensively deepen the rural reform, it is necessary to adhere to the direction of the socialist market economy reform, properly handle the relationship between the government and the market and stimulate the vitality of the rural economy and society; it is necessary to encourage exploration and innovation and with the precondition of making clear the baseline, support localities to be the first to implement and experiment and respect the practice and creative work of the masses of peasants; it is necessary to suit measures to local conditions, make progress gradually and in an orderly manner, avoid rigid uniformity, do not seek settling a matter at one go and permit making differential and transitional institutional and policy arrangements; it is necessary to have unified urban-rural planning and interaction, give the peasants greater property rights, promote exchanges of factors on an equal basis and the balanced allocation of public resources between the urban areas and the rural areas and enable the peasants to participate in the process of modernization on an equal basis and share the fruits of modernization.

In promoting agricultural modernization with Chinese characteristics, it is necessary to always regard reform as the fundamental driving force, have a foothold on the national conditions and agricultural conditions, comply with the demands of the times, persistently make common development of diversified management forms with household management as the basis, enable traditional and meticulous farming and modern materials, technology and equipment to complement each other, realize coordination between high yield and high efficiency and sustainable utilization of resources and the ecology and give consideration to both and strengthen the mutual functional supplement of government support and protection and the decisive role of the market in the allocation of resources. It is necessary to take properly resolving the issue of how to do farming as the orientation and speed up the establishment of a new type of agricultural management system, take properly overcoming the resource and environmental restraints of land deficiency and water shortage as the orientation and push forward the in-depth change of the mode of agricultural development and take satisfying the demand for eating better and safer as the orientation and make great efforts to develop high-quality and safe agricultural products and to strive to open up a road of a new type of agricultural modernization with Chinese characteristics featuring advanced production technologies, an appropriate management scale, a strong power for market competition and a sustainable ecological environment.

In doing the work for agriculture and the rural areas in 2014 and for some time to come, it is necessary to take Deng Xiaoping Theory, the important thinking of the “three represents” and the scientific development concept as guidance, follow the general requirement of the stabilization of policies, reform and innovation, and sustained development, strive to make new breakthroughs in innovating mechanisms and structures, make new achievements in the development of modern agriculture, make new progress in the building of a socialist new countryside and provide an effective support for maintaining sustained and healthy economic and social development.

I. Perfect the National Grain Security Guarantee System

1. Seize the time to work out a national grain security strategy under the new situation. Holding the rice bowl firmly in our hands is a basic policy that must be adhered to in governing the country for a long time to come. Comprehensively consider the domestic conditions of resources and the environment, the grain supply and demand pattern and changes in the international trade environment and implement a national grain security strategy that takes our side as the dominant factor, bases itself on our own country, guarantees the production capacity, imports appropriately and has the support of science and technology. At no time should domestic grain production be relaxed, the red line for farmland protection should be strictly guarded, permanent basic farmland should be demarcated, the comprehensive agricultural production capacity should be increased continuously, and basic self-sufficiency of grain and absolute grain ration security should be ensured. More actively use the international market of agricultural products and international agricultural resources to effectively regulate and supplement domestic grain supply. While attaching importance to the quantity of grain, greater attention should be paid to grain quality and security; and while ensuring same-period supply, greater attention should be paid to the sustainable development of agriculture. Make greater efforts to implement the “rice bag” governor responsibility system and more clearly define the responsibility and the division of work in grain security between the central government and the local governments. Main sales areas should also set a baseline for grain acreage and ensure a certain grain ration self-sufficiency rate. Strengthen the awareness of saving grain of the whole society and spread the use of facilities and technologies to save grain and reduce damage to grain in the whole process of production, distribution and consumption.

2. Improve the price formation mechanism for grain and other important agricultural products. Continue to adhere to the market pricing principle, explore and promote the reform of linking the price formation mechanism for agricultural products with government subsidies, gradually establish a target price system for agricultural products, subsidize the low-income consumers when market prices are too high and subsidize the producers when market prices are lower than the target prices according to price differences and earnestly ensure the peasants' benefits. In 2014, launch the experiment at selected points on target price subsidies for soybeans in Northeastern China and Inner Mongolia and for cotton in Xinjiang, explore the experiment to be carried out at selected points on target price insurance for grain, hogs and other agricultural products and launch the experiment at selected points on loans for the operation and sales of scale management main bodies of grain production. Continue to implement the policy of the minimum procurement prices for rice and wheat and the policy of the temporary purchase and reserve of corn, rapeseed and sugar.

3. Improve the system for regulating and controlling the agricultural product market. Comprehensively use taking in and sending out reserves, regulating import and export and other means to rationally set the fluctuation regulation and control range of prices for different agricultural products and ensure basic stability of the market of important agricultural products. Scientifically determine the reserve function and scale of important agricultural products, strengthen the reserve responsibility of localities, especially the main sales areas, and optimize the regional layout and variety structure. Improve the central reserve grain management structure and encourage qualified main bodies of diversified markets to participate in policy-related purchase and reserve of agricultural bulk products. Improve the evaluation and encouragement mechanism of the "vegetable basket" mayor responsibility system, improve the system for regulating and controlling the prices of the hog market and properly grasp the production and supply of beef and mutton. Further conduct government direct statistical investigation on big agricultural counties. Formulate and promulgate authoritative price indexes of agricultural products.

4. Rationally make use of the international market for agricultural products. Seize the time to formulate an international trade strategy for important agricultural products, strengthen planning and guidance for importing agricultural products, optimize the layout of places of origin of import and establish stable and reliable trading relationships. Departments concerned should closely cooperate, strengthen the entry-exit veterinary and plant inspection and quarantine, crack down on smuggling acts in the import and export of agricultural products and ensure the quality and safety of imported agricultural products and domestic industrial safety. Speed up the implementation of the going global strategy for agriculture and cultivate large grain, cotton and edible oils enterprises with international competitive power. Support carrying out mutually beneficial and win-win cooperation in agricultural production and import and export abroad, especially such cooperation with neighboring countries. Encourage financial institutions to actively innovate financial products and ways to provide services for international trade in agricultural products and for agriculture to go global. Explore the establishment of an international trade fund for agricultural products and an overseas agricultural development fund.

5. Strengthen supervision and control over the quality of agricultural products and food safety. Establish the strictest food safety supervision and control system that covers the whole process, improve laws, regulations and the standards system and make sure local governments will assume their responsibility for administration under their jurisdiction and administration of main bodies in production management. Support standard production, carry out risk monitoring and give early warning for key products, build a food tracing system and increase subsidies for expenses for quality and safety inspection and tests of

wholesale markets. Promote and speed up the establishment of a system for inspecting and testing the quality and safety of food products and agricultural products at the township and county level and the building of the supervision and control capability of townships and counties. Carry out stricter management of agricultural input products, make great efforts to set up horticultural crop standard park, carry out scale livestock and poultry breeding and healthy aquatic breeding and conduct other creative activities. Improve the evaluation and appraisal system for the work to ensure the quality of agricultural products and food safety and carry out experiments at selected points on building demonstration cities and counties.

II. Strengthen the Agricultural Support and Protection System

6. Improve the system for the steady growth in input into "the three rural issues" [san nong wen ti--developing agriculture, raising farmers' income, and developing the rural economy]. Improve the policy of financial support for agriculture and increase expenditure on "the three rural issues." Public finance should persistently regard "the three rural issues" as the key point of expenditure, central investment in capital construction should continue to tilt toward "the three rural issues" and give priority to ensure the steady increase in input into "the three rural issues." Widen the channels for the input of funds into "the three rural issues," give full play to the guiding role of financial funds and bring along the input of more financial and social funds into "the three rural issues" through interest discount, awards, risk compensation, tax and fee reduction and exemption and other measures.

7. Improve the agricultural subsidy policy. In accordance with the requirements of stabilizing the stock, increasing the total amount, improving methods and making gradual readjustment, actively carry out experiments at selected points on improving the methods for subsidizing agriculture. Continue to implement policies of direct subsidy for grain growers, subsidy for improved crop species and comprehensive subsidy for means of agricultural production and tilt newly-added subsidies toward grain and other important agricultural products, the new type of agricultural management main bodies and main production areas. In places where relevant conditions are available, carry out experiments at selected points on subsidizing producers according to the actual sowing area or output of grain and increase the accuracy and have a correct direction for subsidies. Increase the subsidy for the purchase of farm machinery, improve subsidy methods and continue to promote the experiment at selected points on subsidizing the discarding and updating of farm machinery. Increase subsidies for key technologies for guarding against and relieving disasters and stabilizing and increasing output of agriculture. Continue to implement the policy for subsidizing improved varieties of livestock.

8. Speed up the establishment of a benefit compensation mechanism. Increase the financial transfer payment for main grain production areas, increase awards and subsidies to big commodity grain production provinces and big grain, edible oil and hog production counties, encourage main sales areas to make investment in main production areas to build grain production bases through various ways and to undertake more tasks of national grain reserves and improve the benefit compensation mechanism of main grain production areas. Support main grain production areas in their efforts to develop the grain processing industry. Lower or cancel matching funds directly used for grain production construction items and other construction items in big grain production counties. Improve the compensation system for forests, grassland, wetland, water and soil conservation and other ecological compensation, continue to implement the subsidy and award policy for public welfare forest compensation and grassland ecological protection, and establish an ecological compensation mechanism for important river source

areas, important water ecological restoration and improvement areas and flood storage and detention areas. Support localities in their efforts to provide compensation for farmland protection.

9. Streamline, and make unified planning for, the use of agriculture-related funds. Steadily promote clearing up, merging and streamlining agriculture-related funds in the link of financial budget formulation. Support Heilongjiang Province in making experiment at selected points on streamlining agriculture-related funds and, on the basis of seriously summing up experience, promote unfolding the experiment on streamlining agriculture-related funds in places which meet relevant requirements. Reform the project examination and approval system and create conditions for gradually delegating the power of examination and approval of projects of culture-related funds from the central government and the provincial governments. Reform the project management procedures, speed up the implementation of projects and budgets and earnestly raise the level of supervision and administration. Strengthen the supervision and administration of special poverty-relief funds and increase the responsibility of the provincial and city governments in supervising funds and projects. County governments should earnestly and properly manage and use poverty-relief funds. Invigorate the balance of agricultural funds and the balance of funds brought forward that have exceeded the time limit and use such funds for farmland irrigation and other construction within a time limit according to the budget and unified planning of governments at the same level.

10. Improve the supervision and protection mechanism for farmland irrigation construction. Deepen the reform of water conservation project management structure and speed up the implementation of the policy of financial subsidy for expenditure on the operation and maintenance of irrigation and drainage projects. Carry out experiments at selected points on the reform of the property right system of farmland irrigation facilities and on innovating the operation management and maintenance mechanism and define the management and maintenance main bodies, their responsibility and the expenses of small irrigation projects. By means of replacing subsidies with awards, putting construction before subsidies and other ways, explore a new mechanism for the farmland irrigation capital construction. Push forward the in-depth comprehensive reform of the price of water for agriculture. Increase the input of governments at various levels into water conservation construction, implement and improve the policy of setting aside funds for farmland irrigation from land transfer proceeds, raise the standard for collecting water resource fees and increase such fees. Improve the policy of compensation for acquiring land for the construction of medium and large water conservation projects. Make plans for the construction of a number of large water conservation projects that have a bearing on the the national economy and the people's livelihood, strengthen the construction of water source projects and the use of rain and flood resources, activate the implementation of a national drought resistance program and increase the capability of agriculture in resisting droughts and floods. Implement a national general plan for the construction of high-standard farmland, increase input, standardize the construction standard and explore a supervision, control and maintenance mechanism.

11. Push forward agricultural science and technology innovation. Deepen the reform of the agricultural science and technology structure, implement the legal person responsibility system and the commissioner system for projects that meet relevant requirements and implement a national science and technology reporting system in the area of agriculture. Clearly define and protect the property rights of scientific research achievements made with financial aids, innovate the scientific achievement transformation mechanism and develop entrustment centers and trading markets for agricultural science and technology achievements. Use various ways to guide and support joint research and development of

scientific research institutions and enterprises. Make greater efforts to build agricultural science and technology innovation platforms and bases and to integrate and spread technology, promote the development of collaborative innovation strategic alliances of national agricultural science and technology parks and zones and support the building of a modern agricultural industrial technology system. Strengthen basic research and biotechnology development with molecular breeding as the key point, build an agricultural whole-process informatized and mechanized technology system with the agricultural Internet of Things and precision equipment as the key points, push forward technical research and development of the emerging industries with facility agriculture and the refined and deep processing of agricultural products as the key points and organize the tackling of important and difficult agricultural science and technology problems. Continue to develop high-yield crops and make greater efforts to spread and apply advanced and applicable agricultural technology and to give technical training to the peasants. Give play to the leading role of agricultural demonstration zones. Strengthen the building of agricultural aviation. Regard agriculture as a prioritized area for financial, science and technology input and guide credit financing and risk investment to enter the area of agricultural science and technology innovation. Implement a science and technology commissioner system and give play to the role of institutions of higher learning in agricultural scientific research and in spreading agricultural technology.

12. Speed up the development of the modern seed industry and agricultural mechanization. Establish a breeding innovation system with enterprises as the main bodies, promote the flow of capable personnel, resources and technology toward enterprises, make seed enterprises that integrate breeding, multiplication and spreading bigger and strong, breed and spread a number of new high-yield, high-quality and stress-resistant species of a breakthrough nature that are suitable for mechanized production. Implement an entrusted management system in seed enterprises and strengthen the whole-process traceable management of seeds. Speed up whole-process mechanization of field crop production, mainly tackle mechanized transplanting of rice seedlings, mechanized cotton picking, mechanized sugarcane harvesting and other weak links and realize integration and matching of crop species, cultivation technology and machines and equipment. Actively develop socialized services for farm machinery operation, maintenance, repair, leasing and other aspects and support the development of farm machinery cooperatives and other service organizations.

13. Strengthen the building of the market system of agricultural products. Make efforts to strengthen institutional construction to promote fair trade in agricultural products and improvement in the efficiency of distribution, speed up the formulation of a national program for developing the market of agricultural products, implement a coordination mechanism between departments, strengthen the building of a distribution network with large wholesale markets of agricultural products as the backbone that covers the markets across the country and carry out at selected points experiments on building wholesale markets of agricultural products of a public welfare nature. Improve the futures trading variety system of bulk agricultural products. Speed up the development of modern storage and logistics facilities for bulk agricultural products in main production areas and improve the cold chain logistics system for fresh and living agricultural products. Support the building of small collection markets and collection and distribution centers of agricultural products in places of production. Improve the rural logistics service system, promote the establishment of comprehensive demonstration zones of the modern distribution of agricultural products and speed up the building of comprehensive platforms for the postal system to serve “the three rural issues.” Implement grain collection and storage and supply security guarantee projects. Activate rural distribution facilities and projects for raising the level of

informatization of wholesale markets of agricultural products and strengthen the building of e-commerce platforms for agricultural products. Speed up the elimination of barriers to markets of agricultural products.

III. Establish a Long-term Mechanism for the Sustainable Development of Agriculture

14. Promote the development of eco-friendly agriculture. Implement the strictest farmland protection system, the economical intensive land-use system, the water resources management system and the environmental protection system and strengthen supervision, checking, stimulation and restraints. Promote large-scale high-efficiency water-saving irrigation actions in different areas. Make great efforts to promote mechanized deep plowing and deep loosening of soil, returning stalks to soil and other comprehensive utilization, speed up the implementation of projects to subsidize soil improvement with organic matters, and support carrying out green prevention and control of insect pests and harmless treatment of diseased animals and poultry. Make greater efforts to prevent and control agricultural widespread pollution and support the use of high-efficiency fertilizer and low-residual pesticide, the use of livestock and poultry manure in large breeding farms as a resource, the use of organic fertilizer in new agricultural management main bodies, the spread of the use of high-standard agricultural plastic films and the experiment at selected points on the recovery of used and residue agricultural plastic films and other experiments.

15. Carry out the experiment at selected points on the recuperation and building up of strength of agricultural resources. Seize the time to formulate a general program for dealing with outstanding problems in the agricultural environment and for the sustainable development of agriculture. Activate the experiment at selected points on the restoration of farmland polluted by heavy metals. Beginning 2014, continue to implement the reversion of farmland on steep slopes, seriously desertified land and land in important water source areas to forests and grassland. Carry out experiments at selected points on comprehensively improving, the funnel areas caused by excessive drawing of underground water in North China, wetland ecological benefit compensation and the reversion of farmland to wetland. By means of financial awards and subsidies, structural readjustment and other comprehensive measures, ensure the level of the overall income of the peasants in the restoration areas will not be lowered.

16. Make greater efforts to ecological protection construction. Seize the time to draw a red line for ecological protection. Continue to implement projects to protect natural forests, the second-phase project to harness sources of sandstorms in Beijing and Tianjin and other important projects. Carry out the experiment at selected points on stopping the felling of trees in natural forests for commercial purposes in key state-owned forest areas of Northeastern China and Inner Mongolia. Push forward the construction of fire-prevention facilities in forests of forest areas and the restoration of vegetation in mining areas. Improve the policy for subsidizing the planting of excellent species of forest trees, tree-planting, forest-tending and other aspects. Strengthen the closure of desertified land for protection. Make greater efforts to implement projects to revert grazing land to grassland on natural grassland and activate projects to develop and make use of grassland and projects for the construction of the natural grassland protection areas in the southern part of China. Support the species improvement, the water conservation construction, the prevention and control of rodents, insects and poisonous weeds in fodder bases. Make greater efforts to protect the marine ecology and strengthen the construction of basic facilities on islands. Strictly control fishing intensity and continue to implement the policy to subsidize marine breeding and releasing and the restoration of the ecological environment for aquaculture. Implement key projects to

comprehensively harness rivers and lakes and to conserve soil and water and carry out the construction of ecological and clean small river basins.

IV. Deepen the Reform of the Rural Land System

17. Improve the rural land contract policy. Stabilize the rural land contract relationships and maintain them for a long time to come. With the precondition of adhering to and improving the strictest farmland protection system, give the peasants the powers and functions of the occupation, use, benefits, transfer, as well as the use of the contract land management right for mortgage and guarantee. On the basis of ensuring the collective ownership of rural land, stabilize the peasant household contract right, relax restrictions on the land management right and allow to use the contract land management right for mortgage in financing from financial institutions. Departments concerned should seize the time study and put forward standard implementation procedures, establish a matching mechanism for the disposal of mortgaged assets and promote the amendment of laws and regulations concerned. Earnestly strengthen organization and leadership, firmly seize the confirmation, registration and certification of the rural land contract management right and fully depend on the masses of peasants in resolving contradictions and problems encountered in the work through independent consultation. Both the right and the land can be confirmed or the right and share can be confirmed without confirming the land. Expenses on the work of confirmation, registration and certification of the right should be included into local financial budgets with subsidy given by the central finance. Stabilize and improve the grassland contract management system and the work to confirm the right, to contract grassland and to demarcate basic grassland should be basically completed in 2015. Earnestly protect the land contract right and benefits of women. Strengthen the building of the rural operation and management system. Deepen the comprehensive rural reform, improve the reform of the collective forest right system, improve the operation and management structure of state-owned forest areas and continue to push forward the reform of the function of state farms in running the society.

18. Guide and standardize the entry into the market of rural collective operational construction land. With the precondition of meeting the requirements of relevant programs and land use purposes, allow the transfer, renting and selling for shares of the rural collective operational construction land. Such land should enter the market in the same way as state-owned land with the same right and same price. Speed up the establishment of a property right transfer and value added profit distribution system for rural collective operational construction land. Departments concerned should put forward as soon as possible concrete guiding opinions and push forward the amendment of laws and regulations concerned. Various localities should follow unified central arrangements and push forward the work in a standard and orderly manner.

19. Improve the rural residential land management system. Reform the rural residential land management system and improve the policy for the distribution of rural residential land. With the precondition of protecting the usufructuary right of the residential land of peasant households, select a number of points for experiments and prudently and steadily promote the use of the peasants' housing property right for mortgage, guarantee and transfer. Departments concerned should seize the time to put forward a plan for concrete experiments at selected points and various localities should not act as they think fit or jump the gun and cross the limit. Improve the experiment at selected points on linking the increase with the decrease of construction land of the urban areas and the rural areas and earnestly ensure that the farmland area will not decrease and the quality of farmland will improve. Speed up the

investigation on the rural land cadaster, including the rural residential land, and the confirmation, registration and certification of the right to use the rural collective construction land.

20. Push forward and speed up the reform of the land acquisition system. Reduce the scope of land acquisition, standardize the acquisition procedures and improve the mechanism for the rational, standard and diversified protection for peasants whose land is acquired. Seize the time to amend laws and regulations concerned, ensure that the peasants can share in a fair manner the value-added proceeds of land and change the methods for compensating the peasants whose land is acquired. In addition to compensation for peasants' collective land acquired, it is also imperative to ensure the housing, social security and employment training of the peasants. Take various measures, such as setting aside land for resettlement and compensation, suiting measures to local conditions, and ensure the peasants are benefited over a long time. Raise the standard for collecting fees for the restoration of forest vegetation. Improve the mediation and arbitration mechanism for land acquisition disputes and ensure the right to know, the right to participate, the right to complain and the right to supervise of the peasants whose land is acquired.

V. Establish a New Type of Agricultural Management System

21. Develop various kinds of scale management. Encourage peasant households which meet relevant requirements to transfer the management right of contract land and speed up improving the market for transferring the land management right and the three-tier service and management networks at the village, township and county levels. Explore the establishment of a risk security fund system for the transfer of land for the use of agriculture to industrial and commercial enterprises and strictly ban the use of farmland for non-agricultural use. In places where relevant conditions are available, awards and subsidies can be given to land transfer. In carrying out land transfer and appropriate scale management, it is necessary to respect the wish of the peasants and such acts should not be promoted in a coercive manner.

22. Support the development of a new type of agricultural management main bodies. Encourage the development of professional cooperation, shareholding cooperation and other forms of peasant cooperatives, guide and standardize the operation of such cooperation and focus efforts on increasing capability. Allow financial funds for projects to be directly invested in cooperatives that meet relevant requirements, allow assets formed with financial subsidies to be held, managed and taken care of by cooperatives and departments concerned should establish a standard and transparent management system. Promote experiments at selected points on financial support for the innovation of the peasant cooperatives and guide the development of joint cooperatives of the peasant professional cooperatives. Carry out registration of family farms according to the principle of free will. Encourage the development of leading enterprises of industrialized agriculture under mixed ownership, promote cluster development and establish closer benefits-linking relationship between these enterprises and peasant households and peasant cooperatives. In the government annual quota of construction land, separately list a certain ratio specially for the construction of matching auxiliary facilities of a new type of agricultural management main bodies. Encourage local governments and non-government investment to set up financing guarantee companies to provide loan guarantee services for a new type of agricultural management main bodies. Make greater efforts to educate and train a new type of professional peasants and leaders of a new type of agricultural management main bodies. Implement and improve relevant tax preferential

policies and support peasant cooperatives in their efforts to develop the processing and distribution of agricultural products.

23. Improve the agricultural socialized service system. Stabilize agricultural public service institutions and improve the expenditure guarantee and achievement evaluation and encouragement mechanisms. By means of financial assistance, tax and fee preferential treatment, credit support and other measures, make great efforts to develop socialized services with diversified main bodies, various forms and full competition, promote cooperation-oriented, order-oriented, entrustment-oriented and other modes of services and expand the scope of experiments at selected points on whole-process socialized services for agricultural production. By means of the purchase of services by the government and other ways, support qualified business service organizations in their efforts to provide agricultural public welfare services. Support the development of peasant water cooperation organizations, flood control and drought relief professional teams, professional technology associations and a contingent of peasant brokers. Improve the rural grass-roots meteorological disaster prevention and mitigation organization system and provide direct meteorological services for a new type of agricultural management main bodies.

24. Speed up the reform and development of the supply and marketing cooperatives. Give play to the advantages of the supply and marketing cooperatives of having stricken roots in the rural areas, established ties with the peasants and had numerous points and covered a wide range, and actively and prudently carry out experiments at selected points on the comprehensive reform of the supply and marketing cooperatives. In accordance with the requirements of transforming oneself and serving the peasants, innovate the organization system and the service mechanisms and strive to hammer the supply and marketing cooperatives into the main force and a comprehensive platform for providing services for the production and livelihood of the peasants. Support the supply and marketing cooperatives in their efforts to strengthen the building of a new rural modern distribution network and a wholesale market for agricultural products.

VI. Speed up the Innovation of the Rural Financial System

25. Strengthen the responsibility of financial institutions in serving "the three rural issues." Stabilize the county network points of medium and large commercial banks, expand the service networks in townships and towns and establish special organizations and independent operation mechanisms which are in keeping with the needs of "the three rural issues" according to their own business structure and characteristics. Strengthen the capability of commerce and finance to serve "the three rural issues" and the micro and small enterprises in counties, expand the business authorization given to their branch institutions in counties, constantly increase the loan-to-deposit ratio and the percentage of agriculture-related loans and include the situation of agriculture-related credit availability into the assessment on the results of credit policy guidance and the comprehensive evaluation system. Steadily expand the experiment at selected points on the reform of the Agricultural Financial Service Department of the Agricultural Bank of China. Encourage the Postal Savings Bank of China to grant medium and long-term loans for agricultural development and the construction of the rural infrastructure and to establish a differential supervision structure. Strengthen the function of the rural credit cooperatives to provide services to support agriculture and maintain long-term stability of their county legal person status. Actively develop village and town banks, gradually realize full coverage of county cities and appropriately readjust the shareholding ratio between major initiating banks and other shareholders. Support the establishment of small and medium banks and financial leasing companies at the county

level that serve “the three rural issues” initiated by the social capital. Small-loan companies should widen financing channels, improve the management policy, speed up their convergence with the credit reference system and play the role of supporting agriculture and small enterprises. Support the stock issuance and listing of qualified agricultural enterprises in the main board and the second board markets, supervise and urge listed agricultural enterprises to improve their corporate governance structure, guide high-growth and innovative agricultural enterprises that are not yet qualified for listing to be openly quoted and transferred in the national system for the transfer of the stocks of small and medium enterprises and push forward the development of individualized products suitable for “the three rural issues” by securities and futures business institutions.

26. Develop a new type of rural cooperative financial organizations. On the basis of the peasant cooperatives and the supply and marketing cooperatives with democratic management, standard operation and a strong pulling force, cultivate and develop rural cooperative finance and continuously enrich the categories of rural local financial institutions. Adhere to the membership system and the closure principle and with the precondition of not absorbing deposits from or granting loans to outsiders and not paying out fixed returns, promote the development of community rural funds mutual-aid organizations. Improve the rural local financial management structure, clearly define the function of local governments in supervising and controlling the new type of rural cooperative finance, encourage the establishment of a local risk compensation fund and effectively guard against financial risks. Formulate at an appropriate time procedures for managing the development of rural cooperative finance.

27. Make greater efforts to support agricultural insurance. Increase the ratio of the central and provincial financial subsidy for the premium of the insurance for major grain crops, gradually reduce or cancel the subsidy for insurance premium at the county level of big grain production counties, and continuously increase the coverage of insurance for the three major grain varieties of rice, wheat and corn and raise the risk protection level. Encourage insurance institutions to provide insurance for agricultural products with the advantage of having special characteristics, provide insurance premium subsidy in places where relevant conditions are available and central finance should give support through replacing subsidy with awards and other means. Expand the scope and coverage areas of insurance for livestock products and forests. Encourage the provision of various forms of mutual cooperative insurance. Standardize the management of serious disaster risk reserves for agricultural insurance and speed up the establishment of a financial-supported serious disaster risk dispersion mechanism for agriculture insurance. Explore opening the business of loan and guarantee insurance and credit insurance in the agriculture-related financial area.

VII. Improve the Mechanisms and Structures for Integrated Urban-Rural Development

28. Make improvement in the human residential environment of villages. Speed up the formulation of village programs, implement the policy of promoting improvement with awards, take the disposal of garbage and sewage as the key points and improve the human residential environment of villages. Implement projects to harden the roads in villages, strengthen operation management and maintenance of inner-village roads, water supply and drainage and other public facilities, and in places where relevant conditions are available, establish a management and maintenance expenses guarantee system that integrates household payment, village collective subsidies and financial subsidies. Formulate traditional village protection and development programs, seize the time to list traditional villages and dwellings with historical and cultural value in a protection catalogue and earnestly increase input and make greater

efforts to protect them. Raise the standard for the construction of rural safe drinking-water projects, strengthen monitoring and protection of the water quality of water sources and in places where relevant conditions are available, extend water supply pipeline networks of towns and cities to the rural areas. Take the western region and concentrated contiguous areas with special difficulties as key points, speed up rural highway construction, strengthen rural highway maintenance and safety management and promote integration of passenger transportation between urban highways and rural highways. Develop household marsh gas and large-scale marsh gas, suiting measures to local conditions. Implement rural house earthquake safety projects in high-risk earthquake areas. Speed up the rural Internet infrastructure construction and enable information to enter villages and households.

29. Push forward equalization of basic public services between the urban areas and the rural areas. Speed up improvement in the basic conditions for running schools of rural schools which are weak in providing compulsory education and appropriately raise the standard of the average public expenses for students receiving rural compulsory education. Make great efforts to support the development of pre-school education in the rural areas. Implement the policy of government aid to secondary vocational education, and, in close connection with market demand, strengthen rural vocational education and skill training. Support and standardize rural private education. Increase the percentage of rural students enrolled by key institutions of higher education. Effectively streamline various kinds of rural cultural projects and resources for benefiting the people and promote the construction of public cultural and sports facilities and the building of service standards of townships and counties. Deepen the comprehensive reform of the rural grass-roots medical and health institutions and implement a general practitioners special post plan in the western and central regions. Continue to raise the financing standards and protection level of a new type of rural cooperative medical service, improve the insurance and assistance system for major diseases and promote unified urban-rural planning for the basic medical insurance system. Stabilize the network and the contingent of workers for rural family planning and carry out the experiment at selected points on the equalization of public services for family planning and health between the urban areas and the rural areas. Streamline the basic old-age insurance system for the urban and rural residents, gradually establish a mechanism for the normal readjustment of the basic pension standard and speed up the establishment of a rural social old-age care service system. Strengthen the standard management in ensuring a minimum standard of living in the rural areas. Carry out the experiment at selected points on the standardization of public services. Make efforts to innovate the working mechanism for poverty-relief through making development, improve the procedures for evaluating the work of the government in poverty-relief through making development in key counties, increase the precision of poverty-relief and firmly carry out key work in poverty-relief through making development.

30. Promote and speed up the urbanization of the population transferred from agriculture. Actively push forward the reform of the household registration system, establish a unified urban-rural household registration system and promote the orderly realization of the urbanization of the resident population who are able to legally work and live in towns and cities in a stable manner.

Comprehensively implement the resident card system for the floating population, gradually push forward the work to enable the resident card holders to be entitled to the same basic public services as the residents of their places of residence and ensure equal pay for equal work of the migrant workers. Encourage various localities to formulate relevant policies, proceeding from reality, and properly resolve

the issue of the population transferred from agriculture of settling down in local towns and cities under their jurisdiction.

VIII. Improve the Village Governance System

31. Strengthen rural grass-roots party building. Conduct in-depth education and practice activities on the party's mass line and promote the building of service-oriented party organizations at the rural grass-roots level. Further strength the party building of peasant cooperatives, professional technical associations and other organizations, improve and innovate the organization setup and straighten out the relationship of administrative subordination. Strengthen the building of the contingent of leaders of rural grass-roots party organizations and the contingent of party members and raise the level of "setting a post target, payment for work, good future for good work and security for leaving one's post" of village cadres. Sum up and propagandize typical advanced examples of rural grass-roots cadres and establish correct public opinion guidance. Strengthen the streamlining of urban and rural grass-root party building resources and establish a stable village-level system for guaranteeing expenses for organization operation. Strengthen the work to improve the party's work style and build clean administration, strengthen the education, management and supervision of rural grass-roots cadres, improve the work style of rural grass-roots cadres and resolutely investigate, punish and correct corruption problems of violating the interests of the masses of the people and acts of increasing the burden of the peasants in agriculture-related areas.

32. Improve the grass-roots democratic system. Strengthen the role as the leading core of party organizations, consolidate and strengthen the party's governance foundation in the rural areas, improve and innovate the villager autonomy mechanism and give full play to the positive functions of other social organizations. Deepen the reform of the township and town administrative structure and improve the functions of township and town governments. Push forward at a deeper level the work to make public village affairs, administrative affairs and party affairs and realize the institutionalization and standardization of villager autonomy. Explore effective forms for realizing villager autonomy under different kinds of situation and units selected for the experiment on the building of rural communities and in places where collective land ownership is in the hands of villager groups, the experiment at selected points on villager autonomy with communities and villager groups as basic units.

33. Innovate grass-roots management and services. Improve the rural grass-roots management and service system according to the principles of providing convenience for the production and livelihood of the peasants and improve efficiency in the allocation public resources. Promote the reform of the shareholding cooperation system of rural collective property rights, ensure the rights and interests of members of peasant collective economic organizations, give the peasants the rights of possession, proceeds, compensated withdrawal as well as mortgage, guarantee and inheritance of shares of collective assets that are exercised by households, establish a rural property right transfer transaction market, strengthen management of funds, assets and resources of rural collectives, raise the level of the operation and management of assets of collective economic organizations and develop and strengthen the rural collective economy. Expand the effective coverage of the supply of basic public services of small towns and cities in the rural areas, make unified planning to promote the effective streamlining of the resources of rural grass-roots public services and the joint construction and sharing of facilities and steadily promote rural community management and services in places where relevant conditions are available. Sum up and spread the "Fengqiao Experience" and innovate the mechanism for mass work.

Push forward at a deeper level the building of the rural spiritual civilization, advocate changing customs and habits, foster good morality and practices and improve the comprehensive quality of the peasants. Strengthen concern, care and services for left-behind children, women and old people. Develop rural undertakings for the handicapped people. Improve the rural social security prevention and control system, give full play to the role of judicial mediation and people mediation and safeguard harmony and stability of the rural society.

Party committees and governments at various levels must earnestly strengthen leadership over the work for “the three rural issues,” properly grasp the direction and rhythm of the rural reform, properly design the ideas and ways for the development of agriculture and the rural areas and properly implement various principles and policies of the party for the rural areas. Party and government cadres at various levels must really understand the demands and aspirations of the masses of peasants and wholeheartedly resolve practical problems in the production and livelihood of the peasants. Further strengthen the building of the general departments for rural work of party committees and strengthen the functions of overall planning, coordination, policy-decision making and providing services. Strengthen guidance for the work of the rural reform experiment zones, make greater efforts to carry out reforms, delegate power and provide policy support, substantiate the contents of experiments, improve working mechanisms and sum up and spread successful experience in good time.

Let us unite closely around the party Central Committee with Comrade Xi Jinping as the general secretary, actively forge ahead, be determined to make innovation and strive to make new breakthroughs and new progress in the rural reform.

END TRANSLATION