China Encourages Development of Leading Enterprises in Agricultural Industrialization

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In March 2012, the State Council issued a set of opinions on supporting the development of leading enterprises in agricultural industrialization (the Opinions). The decree was the first comprehensive and systematic guiding document specially issued by the State Council during the over than 20 years of development of agricultural industrialization, and it was also an important initiative of the state to accelerate the development of modern agriculture in the critical period of simultaneous promotion of industrialization, informatization, urbanization and agricultural modernization. Therefore the document was a milestone in further promoting the industrialized operations of agriculture and the development of modern agriculture.

The statistic position of agricultural industrialization and leading enterprises in the development of modern agriculture was further established

The Opinions pointed out that the industrialization of agriculture is the innovation in the system and mechanism of China’s operation of agriculture and the direction of the development of modern agriculture; and leading enterprises are important components of the industrial system of modern agriculture and are the key to industrialized operations of agriculture. This was a country’s full recognition of the important contribution made by the industrialization of agriculture and the leading enterprises, and is a clear positioning of the functions and roles of the industrialization of agriculture and leading enterprises in the new era. It emphasized the need to focus on the industrialization of agriculture as an important thing with general impacts and setting the direction on the work related to agriculture and rural areas.

This was an important deployment of the central government in planning the development of agricultural and rural economy with the strategic vision of the simultaneous achievement of industrialization, informatization, urbanization and agricultural modernization while attaching great importance to the works related to agriculture, farmers
and the rural area. It required for firmly establishing the concept that supporting the industrialization of agriculture is to support agriculture, and supporting leading enterprises is to support farmers. This further clarified that the state takes the agricultural industrialization and leading enterprises as the direction and focus of the policies of benefiting farmers and helping them become richer, and fully embodied the guideline of the CPC Central Committee and the State Council to support the agricultural industrialization and the development of leading enterprises.

The general requirement for accelerating the agricultural industrialization and the development of leading enterprises was further clarified

The Opinions proposed that agricultural industrialization and the development of leading enterprises should be promoted in the current and future periods and the farmers’ interests should be regarded as fundamental, so that farmers can share the fruits of development, which is the starting point and ultimate goal of industrialized operations of agriculture; the laws of the market should be taken as a criterion and the basic role of the market in allocating resources should be given full play to explore multiple forms of industrialized development with consideration of the reality and local conditions; improving the construction of industry chain should be given priority to promote positive interaction and coordinated development between various links and parties concerned; and an optimized external environment should be used as a guarantee to ensure close coordination among departments, strengthen guidance on planning, enhance policy support and improve social services, so that a strong joint force driving the development of agricultural industrialization will be formed.

These requirements were both the systematic summary and condensation of the practical experience of agriculture industrialization, and the important principles and guidance for action for promoting agricultural industrialization and the development of leading enterprises in the new era and new circumstance.

Policies and measures supporting the agricultural industrialization and the development of leading enterprise were further enhanced

The Opinions bought together and stressed the state’s sustained policy of supporting the development of leading enterprises, incorporated the national policies related to the support of small and medium-sized enterprises, high- and new-tech, talents and logistics, and learned some effective local policies for support. It was a collection of the policies supporting the agricultural industrialization and the development of leading enterprises. The document also proposed some valuable and operable new policies with many new highlights and breakthroughs in the aspects of expanding financing channels, accelerating technological innovation, brand building, exploring the international market, etc. in response to the key problems and weaknesses restricting the development of leading enterprises.

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