

Management of Rural Collective Assets and Finances

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With the deepening of agricultural and rural reform and development, particularly the endeavors to improve the CPC's work styles in rural areas and to build clean governments, the management of rural collective assets was enhanced. Various localities moved from the sole management of finances to the areas of democratic management and democratic supervision, and from management of rural collective funds, to the management of funds, assets and resources. They also moved from providing guidance on rural collective production activities to providing guidance on modern business operations such as contracting, leasing and joint stock partnerships, representing concrete steps in the exploration of rural collective business operation models.

Main policies and measures

Strengthening the management of collective funds, assets and resources in rural areas. Based on the general planning of the endeavors to improve the CPC's work styles in rural areas and to build clean governments, the management of collective funds, assets and resources in rural areas would be further enhanced and all regions would be instructed to strictly carry out a number of rules and regulations related to inspection of assets, asset ledger, register book for resources, bidding of assets and resources, asset disposal, and management of economic contracts. The first batch of demonstration counties for the management of collective funds, assets and resources in rural areas would be instructed to verifying assets of rural collective economic organizations in a steady way. Based on standardization and improvement of services for entrusting village finances to professional accounting agencies, the platform for supervision and management of collective funds, assets and resources in rural areas would be strengthened. Training on management of collective funds, assets and resources in rural areas would be carried out.

Carrying forward the reform of the ownership of rural collective economic organizations' properties in a steady manner. More efforts would be made to carry out the reform. Pilot programs would be implemented as planned in provinces without such programs. In provinces where such programs have been implemented, reforms would be deepened and various regimes would be created and improved to take shape a modern management and operation system with an organic combination of stimulation and restriction. Regions with proper conditions would be encouraged to introduce the open bidding into the transaction of rural collective property rights and build a platform for transaction of rural collectives property rights with support from service centers for transfer of rights to manage contracted rural land and collective funds, assets and resources.

Standardizing the management of rural collective finances in a deepened way. The Rules on the Openness of Finances of Village Collective Economic Organizations, released jointly by the MoA and the Ministry of Supervision, would be vigorously put into practice in order to further strengthen the openness, democratic management and supervision of collective finances.

The practice of village-level accounting by agency was constantly carried forward and improved. It would be expanded to villages with difficulties in opening village affairs and in economic development through improving the process of entrusting village finances, standardizing the agency's work flow and strengthening the agency's internal control system.

The regulations on audit of rural collective economic organizations would be implemented. The system for turning over violations of discipline found in the audit and the accountability system would be explored and established. Efforts would be made to train accountants, auditors and democratic financial planners to enhance their professional competence and the management level.

Main achievements

Presently, the management of rural collective assets and finances was transferred from executive administrative bodies to the CPC committees and governments as it had been incorporated into the endeavors to improve the CPC's work styles in rural areas and to build clean governments. Reform and innovation of institutionalization, standardization, informatization of the management of rural collective assets and finances marched into a new phase.

A new step was made in the management of collective funds, assets and resources. In 2012, the MoA designated 155 counties as demonstration counties for the management of collective funds, assets and resources in rural areas, in a bid to promote the institutionalization, standardization and informatization of the management of collective funds, assets and resources in rural areas.

In provinces, like Jilin, Fujian, Shandong and Jiangsu, supervision centers were founded to manage collective funds, assets and resources in rural areas, with the support from township-level economic management stations and entrusted accounting centers. In Beijing and Shanghai, the management of collective funds, assets and resources in rural areas at municipality, county, town and village levels was networked and the two municipalities took the lead in stepping into an information age in the management of collective funds, assets and resources in rural areas. Across the country, 51 cities and 1,060 counties have set up informatized platforms for managing rural collective funds, assets and resources.

Reform of the institution of rural collective property rights also witnessed steady progress. Relevant pilot programs were carried out in 27 provinces, covering 32,000 villages. Among them, 24,000 villages had completed the reforms, quantifying 361.86 billion yuan's worth of assets, creating 94,000 collective shareholders and 34.039 million individual shareholders, and paying out a cumulative mode of 81.28 billion yuan in dividends.

Financial and accounting management also rose to a new level. A "five-in-one" system of supervision of rural collective assets and finances, which was composed of village-level democratic supervision, township-level accounting supervision, government's audit supervision and online real-time oversight, was enhanced thoroughly.

By twice selections, the MoA designated 326 villages nationwide as demonstration units for standardization of the management of rural collective finances to promote the routines, standards and institutions of the village-level financial management.

At present, across the country, 98% of villages have made public their collective finances, and more than 80% had outsourced accounting affairs.

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