



## Urban Agenda Platform

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# Developing Beautiful South Pastoral Complex and Narrowing Urban-Rural Gap by the Way of Integration of Agriculture and Tourism and Interaction between Industry and Villages

Region	Asia and the Pacific
Award Scheme	Guangzhou Award
Sustainable Development Goals	Goal 1 - End poverty in all its forms everywhere Goal 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all Goal 11 - Make cities and human settlements inclusive, safe, resilient and sustainable

## Summary

The initiative follows the rule of integration of agriculture and tourism and interaction between industry and villages.

## Background and Objective

It uses the rich agricultural resources, industrial basis, featured villages and traditional culture as the foundation and leverages integrated agricultural development programs to improve six functional systems, namely production, industry, business, ecology, service and operation, realize the simultaneous development of production, life quality and ecological conservation, the integration of three industries and the combination of agriculture, culture and tourism, and develop a pastoral complex with unique industrial, regional and cultural features. The planned area has a general layout with one axis, two wings, three belts and three zones. The one axis refers to the main axis of the complex along the No. 005 County Highway. The functional zones, scenic spots and featured villages are dynamically integrated along the axis to form a complete pastoral complex. The two wings refer to the southern and northern wings on both sides of the No. 005 County Highway. Each wing has its own industrial basis and programs. The southern wing focuses on innovative agricultural experience, smart agriculture, circular agriculture, processing and logistics; the northern wing focuses on featured high-efficiency agriculture, featured breeding agriculture and ecological agriculture. The three belts are the fine agriculture experience belt, the ecological village experience belt and the natural scenery experience belt. The three zones refer to the urban agricultural concentration zones, the high-efficiency agricultural plantation zone and the ecological agricultural zone. BACKGROUND INFORMATION The “pastoral complex” was incorporated into the first document of the central government in 2017. In May, 2017, the Ministry of Finance issued the Notice on Carrying Out Pilot Programs on Pastoral Complex Development; in June, Guangxi Zhuang Autonomous Region issued the Notice on the Application of the Pastoral Complex Development Pilot Program (guicaifa [2017] No. 13). Xixiangtang District developed the “Beautiful South Pastoral Complex”, and it became the only national-level pastoral complex pilot program in Guangxi in July, 2017.

### ORIGINS

Since the Reform and Opening Up, all areas in China, including Xixiangtang District, witnessed accelerating urbanization. However, with economic development, a lot of rural residents left as migrant workers, and the fields and cottages were left idle. Agricultural development stagnated, traditional rural areas declined and the urban-rural dual economic structure began to show its negative impact on economic growth, and this has become a major barrier to national economic modernization. Xixiangtang District covers an area of 1,298 square kilometers, 69% of which was rural area, and 260,000 rural people live in this district. It also faces the above-mentioned problems. The purpose of building a Beautiful South Pastoral complex is to take the 10 villages and 57,000 rural residents in the 70-square-kilometer-large pilot zone as the object, utilize the advantages of big cities, follow the rule of agriculture-tourism integration and industry-village interaction, use the “Tourism+”, “Ecology+” and other models to attract population, capital and other production factors to flow from urban areas to rural areas, develop circular agriculture, innovative agriculture, featured agriculture and agricultural experience, expand the diversified functions of agriculture and promote the integration of agriculture with tourism, education, culture and healthcare, so as to revert the declining trend of rural development, accelerate rural prosperity, boost the rural economy, increase farmers’ income and reduce urban-rural gaps. This practice aims to resolve the sustainable development problem for 10 villages and 57,000 rural residents in the 70-square-kilometer pilot zone by developing the Beautiful South Pastoral Complex. The targets include improving farmland paths and irrigation facilities, developing a batch of agricultural industrial projects, building an agricultural business structure with agricultural entrepreneurs, family farms and peasants as the main



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participants, initially building a beautiful rural ecological system featuring coordinated development of mountains, waters, forests, lakes and grasslands, improving public service facilities and the service level, and forming an operation and management system guided by the government and driven by entrepreneurs and farmers. It is estimated that by 2019, the annual newly-added production value of the Beautiful South Pastoral Complex will be 960 million yuan, farmers' per-capita net income will grow by over 15% annually, higher than Nanning's average, a development pattern based on agriculture, supported by technology and guided by culture, tourism and creation will be formed, and featured agriculture, industrial integration and urban-rural integration will be realized. In terms of promoting the plan, Xixiangtang District formulated the Development Plan on the Integrated Agricultural Development of the Beautiful South Pastoral Complex (2017-2019). According to the three-year plan, 225 million yuan of special agricultural development fund was earmarked for the development of high-standard field and industrial support. The main measures include: Lay a solid foundation and improve the agricultural production system. The district utilizes 167 million yuan of special agricultural development fund to develop 43,000 mu of high-standard field in three years. The first phase (2017) would invest 47 million yuan to develop 12,000 mu; the second phase (2018) would invest 55 million yuan to develop 15,000 mu; the third phase (2019) would invest 65 million yuan to develop 16,000 mu. Stress features and optimize the agricultural industrial system. The district uses 58 million yuan of special agricultural development fund to support 36 programs on featured agricultural production, farm product processing and product circulation. 13, 11 and 12 programs would be supported in 2017, 2018 and 2019 respectively. The program promotes industrial chain development. It follows the rule of agriculture-tourism integration and industry-village interaction, sticks to the "agriculture+farm product processing+tourism+health" model and extends the industrial chain to realize the integration of agriculture, tourism and culture and promote common development of agriculture and tourism and culture. Optimize the agricultural business system. The district introduced agricultural enterprises, develops new-type rural business organizations, establishes a benefit connection mechanism between enterprises and farmers, promotes rural e-commercial development and explores an "Internet+ agriculture" development model. Improve the rural ecological system with green development. First, the district enhances rural ecological development, implements irrigation, water connection, water environmental management and ecological corridor development projects, and builds a 10-kilometer pastoral ecological irrigation system that goes through 7 villages. Second, the district implements the national second-batch ecological conservation and restoration pilot program and the provincial-level land integrated management and ecological land management pilot program to improve the water environment and land capacity. Improve functions and optimize the public service system. The district eight programs including communication network upgrading, smart agriculture, smart agriculture, all-for-one tourism, scientific, educational, cultural and health equipment support, rural basic health guarantee, scientific talent employment and entrepreneurship and ecological environment upgrading, so as to improve the service quality. Join hands to optimize the management system. The district properly handles the relation between governments, enterprises and farmers and develops an energetic management system guided by the government and driven by entrepreneurs and farmers. This program is carried out in partnership with various organizations. Government agencies: People's Government of Xixiangtang District and the Finance Bureau (Agricultural Development Office); Agriculture, Forestry and Water Conservancy Bureau; Shibei Sub-district Office; and People's Government of Jinling Town. Technical support institutions: over 40 institutions including Guangxi Academy of Agricultural Sciences, Guangxi University, Guangxi Vocational and Technical College of Agriculture, and Guangxi Tourism Planning and Design Institute. 60 private enterprises. 22 specialized farmer cooperatives. Government agencies plays the guiding role, including conducting top-level design, formulating industrial development policies, raising public infrastructure and service funds for the development of roads, field irrigation facilities, schools, hospitals and tourist service centers. Technical support institutions serve as advisors, including providing policy suggestions for top-level design and relevant policy-making and providing technical support for private enterprises, specialized farmer cooperatives and farmers in production activities. Private enterprises are main investors and business entities. They are responsible for the production, further processing and cold-chain logistics of farm products, and the investment and operation of "agriculture + cultural creation + tourism + health" programs. Specialized farmer cooperatives serve as bridges and organize farmers to gather land resources and conduct collective large-scale management or transfer land resources to private enterprises and jointly manage them. The following resources are utilized for the implementation. Capital input: Gaining sustainable financial supporting fund. The central government earmarks 225 million yuan of special agricultural development fund for high-standard field development and industrial support; Pooling financial funds at all levels and private capital. The program pooled 1.4 billion yuan of financial funds at all levels to improve agricultural production, agricultural industry, agricultural business, rural ecology, public service, operation and management and operation; Leveraging private capital investment. The program leveraged 1.8 billion yuan of private capital and established 48 programs related to ecological leisure and creative agriculture such as high-quality vegetable planting, turtle breeding and processing, grape planting, wine production and folk village tours. Technical support: Vegetable Research Institute, Grape and Wine Institute, Agricultural Technological Information Research Institute, Horticulture Research Institute, Microorganism Research Institute and Rice Research Institute of Guangxi Academy of Agricultural Sciences, Guangxi Sericulture Technology Promotion Station, Guangxi Agricultural Vocational College and other institutions provide technical support on agricultural production. Guangxi University, Guangxi University of Nationalities, Guangxi Tourism Planning and Design Institute, Guangxi Fangwai Cultural Development Company, Tourism and Urban-Rural Planning Research Institute of Sichuan Normal University and other institutions provide technical support on rural tourism and agritainment. Chengdu Wangzhe Planning and Management Company, Guangxi Shuangjian Engineering Consultation Company, Guangxi Saiwei Display Design Engineering Company and other institutions provide technical support on village planning and landscape transformation. Jingmen Water Conservancy Exploration and Design Institute and Guangxi Water and Power Design Institute provide technical support on irrigation, water conservancy and road construction. Human resources: Shibei Sub-district Office, Jinling Town, Shengdu Company, Construction and Management Office of Beautiful South Pastoral Complex are responsible for attracting investment and operation of the program. Shibei Commercial Chamber (NPO) organizes its members to recruit managerial talents and ordinary staff based on enterprises' needs. Committees of the 10 villages are responsible for publicity and mobilization of villages and provide human resource support.



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## Outcomes and Impacts

The Beautiful South Pastoral Complex will have four effects:

First, achievements in supporting the rural collective economy. The program establishes villager cooperatives in 10 villages and manages the state-owned assets to gain profits. At the same time, farmers can gain land transfer income and labor income. The program establishes Shibei Sub-district Non-arable Land Management Center to promote land transfer. Financial departments of Guangxi Zhuang Autonomous Region and Nanning Municipality earmark 2.2 million yuan to develop rural collective economy.

Second, highlights in attracting private capital. So far, over 60 enterprises have settled in the complex, which are mainly agricultural enterprises. There are 5 programs that each has over 100 million yuan of investment and 1000 mu of transferred land. The land transfer rate of the program zone has already reached 60%. For example, the new Guangxi Medicinal Herb Garden will invest 380 million yuan to establish a herb planting and processing base; Shengmingling Ecological Health Program will invest 500 million yuan to establish an ecological health base, and 300 million yuan has already been invested; Nanjiawan Sports & Tourism City Program plans to invest 300 million yuan to develop a 1000-mu Sports & Tourism Base; Guangxi Shengpenghui Investment Group plans to invest 150 million yuan to develop a 3000-mu vegetable delivery and contract farming program.

Third, improvements in rural living conditions. The program pools the “beautiful village” program funds at all levels to promote the “two renovations, six improvements and three enhancements” project, namely toilet and kitchen renovation, rural waste management improvement, road improvement, water safety improvement, village feature improvement, housing safety improvement, energy utilization improvement and power supply, communication and public illumination enhancement.

Fourth, a new look in rural revitalization. The village collectives develop a benefit connection mechanism between enterprises, village collectives, farmer cooperatives and the public by managing some state-owned assets of the complex, and guide village collectives, farmer cooperatives and farmers to participate in the operation and management of the complex programs and gain income from land rent, labor, dividend and brand premium. The program introduces private capital to develop old villages and idle houses into tourist destinations, and develops a batch of leisure rural tourist villages such as the “Grey Brick Houses”, the “Islet of Joy”, the “First Village of Educated Youth”, the “Red Brick Lane”, the “Olive Art Village” and the “Craftsman Village”. According to incomplete statistics, since 2017, the pastoral complex has received over 1 million visitors and gained 70 million yuan of tourist revenue. The Office for National Comprehensive Agricultural Development (ONCAD) is responsible for formulating policies and regulations on completion acceptance and evaluation of the program and guiding Guangxi Zhuang Autonomous Region and Nanning comprehensive agricultural development agencies to carry out program completion acceptance and evaluation. The agricultural development agencies of Guangxi Zhuang Autonomous Region are responsible for supervising program completion acceptance and evaluation and formulating acceptance regulations. Basis for acceptance: national agricultural comprehensive development policies and regulations, implementation measures formulated by provincial agricultural development agencies; program construction standards and relevant industrial standards; annual program plan approval documents, program adjustment approval documents and termination documents; approved (recorded) initial program design (implementation plan); fund appropriation documents. Acceptance measures: listening to reports, checking account books, reviewing files, random on-site checks, test runs, visiting rural families and convening seminars.

Result application: the approved acceptance report is an important document for program completion. The report of a qualified program is the major basis for the delivery and transfer of the program and its constructions, and it is also the credential for the disbursement of financial funds in “reimbursement after construction” programs. For the implementation, the following methods have been resorted to:

First, the complex takes infrastructure and public service facility development as the guide. The government raises funds to develop infrastructure related to road, public transportation, irrigation projects, water and power supply, hospitals, schools and recreational activities to create convenient conditions for development.

Second, the complex arouses farmers’ enthusiasm. The program innovates rural houses, runs homestay, rural tourism and agricultural experience programs and provides subsidized loans to mobilize farmers to participate in pastoral complex development.

Third, providing rewards for key enterprises and featured programs. The complex utilizes comprehensive agricultural development fund and provides subsidies to support 36 enterprises related to featured farming and farm product further processing in 3 years.

Fourth, improving the efficiency of government service. For enterprises and projects in the complex zone, the government not only provides water, power, communication and road infrastructure, but also creates a green channel for project approval and arranges government officials and staff members to provide one-on-one service to solve enterprises’ problems as soon as possible. The development of the pastoral complex in suburban areas will have a demonstration effect on Nanning in improving suburban development and resolving the urban-rural dual structure. The program will help Nanning



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develop the “Green City of China”, the “Beautiful Scenic City”, the “National Ecological Garden City” and the “Leisure and Health Capital of China”, and show a picture of harmony between human and nature and integration of rural and urban development. It will be a new landmark of Nanning to the world. Since its implementation, the program has won recognition of local residents and praises of the society. Governments from over 100 cities both in China and abroad have visited Xixiangtang District to learn about the Pastoral Complex Program. On November 6 to 8, 2017, the Office for National Comprehensive Agricultural Development visited the Beautiful South Pastoral Complex Program for a special research, and spoke highly of the practice of the program. Ziguangge, the magazine managed by the Work Committee of the Central Government Departments, also published a research report entitled Financial Support Help Develop New Driving Force for Agricultural and Rural Development in the fourth volume in 2018, and highly affirmed the innovation made by the program. The Beautiful South Pastoral Complex has won the titles of “national leisure agricultural and rural tourist demonstration site” and “national fine zone of sports tourism” granted by the Ministry of Agriculture and the National Tourism Administration and the titles of “modern featured agricultural (core) demonstration zone” (the first batch in Guangxi), “Guangxi agricultural technology park” and “Guangxi 5-star rural tourist zone”. Zhongliang Village won the titles of “national beautiful and livable village” and “national civilized village”. In 2018, the Beautiful South Pastoral Complex Program was selected as an excellent reform innovation program in 2017 in Nanning City.

## Innovative Initiative

As a policy-based pilot program, the pastoral complex program is progressive. The program is evaluated and improved every year. The pastoral complex program is innovative because First, it features agriculture-tourism integration and industry-village interaction. The program uses financial funds to leverage private funds to invest in the pastoral complex, engage enterprises, ally governments with villager organizations, utilize top-level design with business models, combine urban factors with rural ones and adopt an integrated planning, development and operation method, so as to innovate the urban-rural development path, achieve common promotion between village development and industrial development, form industrial transformation, achieve social development, realize agriculture-tourism integration and industry-village interaction, reshape beautiful villages and reduce urban-rural gaps. It is a representative innovative model for rural development in China. Second, the program builds the cultural soul to enhance cohesion for rural revitalization. First, it inherits and develops the red culture. The program focus on the second provincial land reform work group with Tian Han and other artists as members, and builds an exhibition center of land reform culture and the educated youth culture. It is also building a national defense education base. Second, the program inherits and develops traditional excellent culture. It protects and develops ancient villages and folk art villages and holds traditional cultural activities such as the March 3rd Festival, the Nuo Cultural Activity and the Pinghua Folk Song Competition. Third, the program carries out cultural development. It actively disseminates and practices the core values of socialism. In 2017, Zhongliang Village of the complex was selected as a national civilized village. The innovation is inspired by other experiences. In 2012, Zhang Cheng, the founder of New Pastoralism, published an article called Study on the Pastoral Complex Model based on the EMBA studies of Guanghua School of Management of Peking University, and carried out the first pastoral complex program: “New Pastoralism” in Yangshan Town, Huishan District, Wuxi. In 2017, the concept of pastoral complex was officially incorporated into the first document of the central government in 2017, and other places are still exploring other models of pastoral complex. In July, 2017, the Ministry of Finance identified 18 programs as national-level pilot pastoral complex programs, and the Beautiful South Pastoral Complex is one of them. The innovation of the practice is mainly used for four dimensions: The first is policy or strategy formation. It is used to formulate policies on big city malaise solutions and suburban development and clarify strategic procedures. In the past, the policies were scattered; now all fund sources are integrated to focus on the program. In the past, the development model is concentrated on a single industry, now the program is the tool for reducing urban-rural gaps. The second is top-level planning and design on urban-rural integrated development. Urban and rural development problems can be considered together, and synergetic urban rural development can be achieved through top-level design. The third is the exploration of rural revitalization models and capital source diversification. The program can explore unique models for the revitalization of suburban areas and attract more private capital to participate in rural development with governments’ investment in infrastructure and public service. In the past, government funds were the mains source of investment; now the program gives play to enterprises and encourages farmers to participate. The fourth is rural and social governance. The practice can establish an effective mutually beneficial mechanism between rural residents, private entrepreneurs, grassroots villager autonomous organizations and enterprise associations, so as to establish an orderly and vigorous rural social governance system and pave the way for local social governance. The program mainly encounters four challenges during its implementation, namely the challenges from functional orientation, capital attraction, integration of three industries and land resource guarantee. Challenges from functional orientation: the pastoral complex comes in different building types. It requires the site to have advantages, volume, potential and basis, follows a path of field idyllization, industrial integration and urban-rural integration and takes natural villages and featured districts to plan the whole site and improve infrastructure. It needs to clarify the functional orientation of rural collective organizations to give full play to them in exploiting collective resources, developing collective economy and serving collective members. Functional orientation is a tough problem. In view of this problem, the government applies a comprehensive analysis and comparison method and identifies the complex as a suburban pastoral complex featuring agriculture-tourism integration and industry-village interaction while considering the regional advantages, cultural deposits and featured industries of the complex. Challenges from integration of three industries: the problems that the suburban pastoral complex development encounters include incomplete industrial system, inapparent leading agricultural industry, not-strong-enough secondary industry and inadequate integration of the three industries. In view of these problems, the government has inclined to secondary industrial programs and leading enterprises’ programs in attracting investment and arranging industrialization support. Challenges from capital attraction: the comprehensive agricultural development fund of the pastoral complex supports industrialization programs. It is mainly used for agricultural fix-asset





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development and the planting, processing and circulation of farm products, and cannot be used for tourist, educational, cultural and health programs. The pastoral complex fund alone cannot support the improvement of life, production and ecological environment, the integration of three industries and the combination of agriculture, culture and tourism, and the complex must leverage large amounts of private capital. In view of this problem, the government enhances the effort to attract investment, pools financial funds at all levels and formulates preferential policies. Challenges from land resource guarantee: the pastoral complex program not only aims to achieve agricultural results, but also plans to upgrade the secondary and tertiary industries. Therefore, it will inevitably occupy agricultural land to construct permanent or impermanent facilities, and the agricultural land stipulated by existing land policies is far from enough to meet the need of secondary and tertiary industrial development. In view of this problem, the government mainly makes land use plans during the preliminary stage of the programs and carries out comprehensive land reclamation and link urban construction land increases with rural construction land decreases.

## Conclusion

Other cities can learn the following experience from this practice:

First, the complex adopts a development model featuring agriculture-tourism integration and industry-village integration, and provides a role model in resolving the phenomenon of “a prosperous downtown area accompanied by backward surrounding areas” or even the “slums” in suburban areas that exist in many metropolitans around the world.

Second, the program explores how governments can effectively cooperate with private capital to resolve the problem of insufficient fund for rural development.

Third, the programs provides duplicable experience on building a rural governance system that is guided by the government, led by rural residents and engaged enterprises and participated by grassroots villager autonomous organizations and enterprises associations.

Since the launch of the Beautiful South Pastoral Complex Program, it has received delegations from all around China. To facilitate promotion and experience sharing, Xixiangtang District established the Beautiful South Pastoral Complex Leading Group Regulatory Affairs Office as a specialized agency to promote the practice and interact with the delegations from other areas.