

Analysis on the Construction of Inclusive Finance and Financing System for Small and Medium Enterprises

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Abstract: Because of the financial structure arrangement of the main body of commercial banks, the proportion of indirect financing and direct financing is unreasonable, and the existing system of commercial banks also makes the proportion of financing of micro-enterprises and the contribution of micro-enterprises to economic growth mismatch. In this paper, the main body of inclusive financial services and inclusive financial supporting system of financial structure reform how to build micro-enterprise financing system is briefly described.

1. Introduction

In August 2013, the General Office of the State Council issued the Implementation Opinions on Financial Support for the Development of Small and Micro Enterprises, From the aspects of reducing financing cost, developing small financial institutions and strengthening credit enhancement services, the paper puts forward some suggestions on financial support for small and micro enterprises. In March 2015, the CBRC put forward the "three no less" assessment requirements, The Ministry of Finance and the State Administration of Taxation jointly issued the Circular on Tax Policies in Support of Financing for Small and Micro Enterprises in October 2017; The People's Bank of China, the Securities Regulatory Commission and the Banking and Insurance Regulatory Commission jointly issued the Opinions on Further Deepening Financial Services for Small and Micro Enterprises in June 2018 and so on [1]. From these, it can be seen that policy support for small and micro-enterprise financing, and strong, but nevertheless, small and micro-enterprise financing difficulties, financing expensive situation has not been well resolved. At present, the academic research on inclusive finance mainly from the aspects of international comparison, evaluation index and economic growth relationship. Through the study of relevant literature, we can see that there are no scholars who can analyze the construction of inclusive finance and small and micro enterprise financing system from the perspective of financial structure arrangement.

2. Financial Structure Arrangements and Inclusive Financial Development do not Match

China's financial system according to the main financing mode of capital demand atmosphere capital market, commercial banks and commercial banks outside the "shadow bank ". According to the large category of financial structure, the main body of all kinds of real economy financing is commercial banks. At present, the proportion of indirect financing for our country is about 85%, mainly commercial bank loan financing. Corporate bonds and corporate IPO are the main forms of direct financing [2]. For the large category of financial structure, the financial structure arrangement with commercial banks as the main body is the main financial structure arrangement problem, which leads to too large proportion of indirect financing of enterprises, forming too high pressure of corporate debt, which leads to the lower proportion of direct financing of the whole society.

2.1. Inconsistency between Indirect Financing Structure Arrangements and Inclusive Financial Development

Based on the composition of indirect financing, Financing flows to large and medium-sized

enterprises, According to statistics, As of 2017, The small and micro enterprise loan balance is 20.4%, And small and micro enterprise legal person is about 28 million, Individual businesses are 62 million, The public accounts for 90% of the market, More than 80 per cent of jobs were provided to the country, GDP contribution is 60%, The invention patent is 70%, The contribution of small and micro enterprises to economic growth is not consistent with the proportion of large and medium-sized enterprises to financing. Indirect financing channels for small and micro enterprises, Mainly for professional registered microfinance institutions, commercial banks and free lending platform three types. Microfinance institutions account for more than 80% of the total, But the loan balance is less than 0.8% for commercial banks, This shows that microfinance institutions and commercial banks are not comparable in their pace and scale of development [3].

2.2. Direct Financing Structure Arrangements do not Match Inclusive Financial Development

For China's direct financing structure arrangements, there are two main types, one is the bond market, the other is the open market IPO.. For the corporate bond market, its financing scale is about 15% of the total indirect financing scale, and the recent growth trend of corporate bond increment is relatively low. And according to the basic conditions of corporate hair bonds, for small and micro enterprises, basically can not obtain bond issuance qualification, that is, small and micro enterprises can not achieve corporate bond financing channels [4]. In addition, China's multi-level capital market system has been initially established, but there is still a clear gap between the small and medium-sized board, the main board and the gem market and the main body that undertakes the direct financing of small and micro enterprises, which can not effectively play the financing function of the new three boards and the regional equity trading market.

3. Construction of Small and Micro Enterprise Financing System the Perspective of Financial Structure

China's financial structure arrangement is difficult to meet the financing needs of inclusive financial objects. All along, China's financial structure arrangement is more dependent on the formation path, and does not refer to the inclusive financial perspective when carrying out the financial structure reform, which leads to the lack of endogenous motivation for the development of inclusive finance in the existing financial structure.

3.1. Inclusive Financial Services Providers

For the main body of inclusive financial services in our country, there are two main problems: one is that there is no perfect subject of inclusive financial services, and the other is that although the main body of inclusive financial services has been established, the main body of inclusive financial services has not reached a balance, and there is insufficient development of inclusive financial services subject, which has not fully demonstrated its role.



Figure 1 Small and medium-sized enterprises

For the existing commercial banking institutions in China, there are serious homogenization competition phenomenon and unclear positioning and other problems. The structure and proportion of the five major commercial banks and other banks in intermediary business, debt business and so on are not obviously different, and the effective supply for small and micro enterprises is seriously insufficient. For the indirect financing of inclusive finance in China, there is still the absence of service subject, and there is no special commercial bank to serve small and micro enterprises.

At present, China has a relatively sound multi-level capital market system, which is divided into small and medium-sized board, new three boards, main board market and gem, which can meet the direct financing needs of different types of enterprises, but the problem of China's capital market is mainly the imbalance between different types of trading markets. At present, for our capital market center of gravity, mainly around the enterprise IPO. But for the small and micro enterprises direct financing service main body new three boards and the regional equity trading market, there are still insufficient construction and insufficient attention.



Figure 2 SMEs

3.2. Inclusive Financial Systems

One of the important reasons for the underdevelopment of inclusive finance in our country is that the supporting market of financial services is not mature. As a systematic project, the idea of inclusive finance development still has too path dependence, relying on the existing financial system, focusing too much on the support of small and micro loans of commercial banks, but not effectively solving the problems of demand, qualification of small and micro enterprises and mismatch of supply mode of existing banks. In addition, it is difficult to solve the problem that the financing of small and micro enterprises is difficult and expensive simply by commercial banks themselves. And to solve the financing problem of small and micro enterprises, we need to get the policy support of the government, build the credit system and perfect the guarantee market.

For the government's policy support, mainly reflected in: first, the government for inclusive finance laws and regulations as soon as possible, at present, our country already has a relatively perfect commercial finance legal system, but for commercial finance, its legislative concept, on inclusive finance, ethics and sustainability has not been emphasized, which has a negative impact on the development of inclusive finance at the legal level. In this regard, on the one hand, the basic legal documents on indirect and direct financing should be revised and perfected so that the boundaries of the financial system and the performance of inclusion can be improved; on the other hand, the law on special documents on inclusive finance should be introduced as soon as possible, so that the basic principles, supporting systems and guiding ideology of inclusive finance can be clearly regulated from indirect and direct financing. Second, the government funds support strength should carry on the enhancement, carries on the reasonable guidance to the small and micro enterprise benign development. For the preferential policies of national policy banks to small and micro enterprises, we should make full use of them, encourage the active declaration of various types of small and micro enterprises, and effectively solve the problem of financing difficulties of supporting enterprises. Thirdly, relying on the construction of digital government, the deep cooperation of "Internet +" is strengthened, so that the coverage of inclusive finance can be

effectively improved, and the transaction cost of inclusive finance can be effectively reduced.

At present, because our country has not established the credit system covering the whole society, nor has it perfected the credit laws and regulations, so that the credit culture environment is missing, so that the credit system of our country is not perfect enough. To this end, we need to build the credit system effectively, one is to improve the coverage of the existing credit agencies, because the current credit information services in China are mainly provided by the people's Bank of China, mainly including personal identity information, payment of various social security fees and enterprise environmental information, and so on, and do not contain other information about social activities. The second is to strengthen the interconnection of credit departments. Third, the independent third-party credit agencies to vigorously develop.

According to statistics, China's financing guarantee industry in 2017 in the insurance balance of 2.4 trillion yuan, which is difficult to meet the financing guarantee needs of small and micro enterprises, "three rural" and other vulnerable groups, on the one hand, the financing needs of small and micro enterprises and in the insurance balance do not match, on the other hand, in the insurance balance to serve small and micro enterprises only about half. Therefore, the guarantee market needs to be improved, mainly including: first, the public product attributes of the government guarantee institutions to vigorously develop, whether developed or developing countries, the relatively perfect financing guarantee system has been established, through the government background guarantee, can make the risk of credit and the cost of effective reduction, the development of small and micro enterprises to guide effectively. The second is to establish the state, provincial and municipal three-level guarantee market system, through the establishment of top-down guarantee system, can meet the financing needs of small and micro enterprises and the "three rural" and other vulnerable groups to promote their better development.



Figure 3 SMEs

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