- In the recent age, the landscape of international investment and production is evolving rapidly due to globalization, geopolitical changes, and technological advancements. Traditional supply chains, which have often relied on extensive global networks to maximize efficiency and minimize costs, are now being influenced by trends towards regionalization, sustainability, and digital transformation. For example, regional trade agreements and economic blocs are fostering closer regional cooperation, reducing dependence on long, international supply chains. In addition, the growing focus on environmental sustainability is pushing companies to adopt greener practices, shifting investment towards eco-friendly technologies. Digitalization is also a major driver, with innovations in Al, IoT, and big data analytics revolutionizing supply chain operations, enhancing efficiency, and providing greater transparency.
- 2 Looking at historical data on traditional supply chains, there's a clear trend of heavy reliance on manufacturing hubs in regions like East Asia, particularly China, thanks to their cost benefits and well-established infrastructure. However, recent developments are leading to a shift towards diversification and greater resilience. The COVID-19 pandemic exposed the vulnerabilities of these long and complex supply chains, causing many Western companies to consider reshoring (bringing production back home) or nearshoring (moving production closer to home). This shift is reflected in foreign direct investment trends, showing increased capital flows into regions like Southeast Asia and Eastern Europe, as companies seek more flexible and resilient supply chains that can quickly adapt to disruptions. This trend highlights the necessity for businesses to rethink their supply chain strategies to ensure stability and adaptability in an uncertain global environment.

II)

- 1 The Fourth Industrial Revolution is changing how industries operate by integrating digital, biological, and physical innovations. This transformation is crucial for turning traditional supply chains into green ones that are more environmentally friendly while still being efficient. For example, many companies are now using renewable energy, adopting circular economy principles, and using advanced technologies like AI and IoT to reduce resource consumption. A notable example is the automotive industry, which is shifting towards electric vehicles and sustainable manufacturing practices. The main goals of transforming supply chains include cutting down on carbon emissions, reducing waste, and using energy more efficiently. To reach these goals, companies need to adopt sustainable practices at every step, from sourcing materials to disposing of products.
- 2 Talking to top companies in the green supply chain sector provides a lot of insight into what they need from foreign direct investment (FDI). These companies often look for investments that help them adopt sustainable technologies and practices, like renewable energy projects and energy-efficient production methods. However, they face challenges such as high initial costs, regulatory obstacles, and the need for skilled workers to manage new systems. To support these companies, FDI needs to be structured to address these issues, offering financial help for green technologies, helping with regulatory compliance, and investing in workforce training. For instance,

investing in smart grid technology or sustainable farming can greatly improve a company's environmental impact and efficiency. Aligning FDI with these needs not only helps companies go green but also makes them more appealing to consumers and regulators who care about the environment.

III)

- 1 To attract foreign direct investment (FDI) for green supply chains in Shanghai, it's important to learn from past successes. This means looking at policies that have previously drawn in foreign investors by making it easier for them to enter the market, providing incentives, and protecting their rights. For instance, policies that streamline the process for foreign businesses to set up operations, offer tax breaks or other incentives, and ensure legal protections have been key in the past. A helpful resource for this analysis is the book "70 Years of Utilizing Foreign Investment in New China: Progress, Effects, and Major Experiences," which outlines how China's foreign investment strategies have evolved. By understanding these successful policies, Shanghai can develop effective guidelines to attract FDI specifically for building green supply chains.
- Shanghai has a unique industrial landscape and is working hard to make its supply chains more environmentally friendly. To do this, we need to pay attention to legal trends like carbon tariffs and carbon barriers, which are becoming more significant in global trade. These regulations can influence how businesses operate and invest. For example, carbon tariffs on imports can push companies to adopt greener practices to avoid extra costs. By understanding these trends, we can explain the new trade dynamics and how they affect green supply chains. This involves looking at both broad policies, such as carbon taxes and financial regulations, and specific policies that impact individual businesses. By addressing these different policy levels, Shanghai can create a supportive environment for attracting the FDI needed to develop its green supply chains.