

In the Age of Technological Prowess: Managing Green Transformation of Ningbo Maritime Logistics through Intelligent Technologies

Qiwei Pang, Ph.D.^{1, 2, 3, *} Jinge Yao, Ph.D.^{4, *}

¹ College of International Economics & Trade, Ningbo University of Finance & Economics, Ningbo 315175, Zhejiang, China

² Ningbo philosophy and social science key research base "Research Base on Digital Economy Innovation and Linkage with Hub Free Trade Zones", Ningbo 315175, Zhejiang, China

³ Zhejiang soft science research base "Digital Economy and Open Economy Integration Innovation Research Base", Ningbo 315175, Zhejiang, China

⁴ College of Wealth Management, Ningbo University of Finance & Economics, Ningbo 315175, Zhejiang, China

*Email: pangqw@nbufe.edu.cn

ORCID: <https://orcid.org/0000-0002-4155-4013>

*Corresponding author Email: yaojinge@nbufe.edu.cn

ORCID: <https://orcid.org/0000-0002-8681-494X>

© 2024 The Author(s). This is an open access article under the CC BY license.

Abstract: This paper examines the role of intelligent technologies in driving the green transformation of maritime logistics in Ningbo. It identifies challenges related to technological investment and costs, non-technical factors, data security, and proposes corresponding solutions. By addressing these challenges, shipping companies can unlock the potential of intelligent technologies, leading to improved operational efficiency and reduced environmental impact.

Key words: Ningbo maritime logistics, green transformation, intelligent technology

1. Introduction

Maritime logistics serves as a vital pillar for the economic development of Ningbo, playing a crucial role in ensuring smooth supply chains and promoting foreign trade [1-2]. With a continuous 14-year

record of being the global leader in cargo throughput and the third-largest container port at the Ningbo-Zhoushan Port, the prosperous maritime logistics activities have brought significant economic dividends to the city. However, the carbon emissions, exhaust gases, wastewater, and waste discharge generated by related industries pose serious threats to the port environment and public health [3].

Furthermore, in 2023, the European Union formally included the shipping industry in the Emissions Trading System (ETS), and the transition period for the Carbon Border Adjustment Mechanism (CBAM) is less than two years. The International Maritime Organization (IMO) has also established a new target to reduce greenhouse gas emissions from maritime shipping by 80% by 2040. These developments highlight the importance of the green transformation of maritime logistics, not only for Ningbo but also for ecological conservation in China as a whole.

Ningbo has proposed achieving world-leading levels of intelligent, green, and safe port construction by 2025, accelerating green transformation efforts, and effectively addressing carbon reduction and pollution control. However, the large-scale maritime logistics activities have resulted in significant pollution and carbon emissions [4], severely impeding the goal of establishing an intelligent, green, and safe port in Ningbo by 2025. Therefore, achieving the green transformation of maritime logistics has become an urgent and critical task that Ningbo needs to tackle.

On the other hand, Ningbo has set its sights on new goals for the development of the digital economy. The advancement of intelligent technologies, such as artificial intelligence, big data analytics, low-cost information collection and transmission, cloud computing, and the internet of things, has become a crucial force driving economic and social development. Intelligent technologies can deeply integrate with key carbon-emitting sectors like electricity, industry, and construction, reducing energy and resource consumption. They also promote energy optimization, cost optimization, risk prediction, and decision control in traditional industries, ultimately achieving energy conservation, cost reduction, quality improvement, and efficiency enhancement. This pioneering experience provides a successful template for the green transformation of the maritime logistics industry in the city.

However, academic research on the application of intelligent technologies to drive the green transformation of maritime logistics in Ningbo is extremely limited. The theoretical development in this field significantly lags behind practice. In this context, it is crucial to address the pressing issue of how to effectively apply intelligent technologies to the green transformation of maritime logistics, accelerate carbon reduction and pollution control efforts, and achieve the goal of establishing an economic system based on green, low-carbon, and circular development as early as possible.

Therefore, this study aims to explore how intelligent technologies can be more efficiently applied in the maritime logistics industry within the context of digitalization, achieving the green transformation of maritime logistics, accelerate carbon reduction and pollution control efforts, and expedite the establishment of an economic system based on green, low-carbon, and circular development.

2. Current Challenges and Solutions

2.1. Technology investment and costs

Implementing intelligent technologies to drive the green transformation of maritime logistics in Ningbo involves significant technology investment and costs. Companies need to carefully evaluate the financial implications of adopting these technologies, especially for SMEs.

One major aspect of technology investment is the acquisition of hardware equipment. Upgrading or acquiring new hardware, such as sensors, data storage systems, and communication infrastructure, is essential for supporting intelligent technologies. However, this incurs costs related to purchasing, installation, and ongoing maintenance. Another crucial consideration is the implementation of software systems. Intelligent technologies require software for data analytics, optimization, and decision-making. Companies may need to invest in customized software development or purchase existing solutions, which can involve licensing fees, implementation costs, and ongoing maintenance expenses.

Additionally, talent training is necessary to effectively utilize intelligent technologies. Companies need to train their workforce in data analysis, artificial intelligence, and other relevant skills. This may involve organizing training programs, hiring specialized personnel, or partnering with external agencies, all of which come with associated costs. Integrating and implementing intelligent technologies into existing maritime logistics operations also requires careful planning and execution. Companies may need to invest in consultancy services or hire experts to ensure a smooth integration, which incurs professional service fees.

Furthermore, companies need to consider the scalability and future upgrades of their intelligent technology systems. As technology advances, investments may be required to keep pace with evolving technologies and industry requirements. Before making significant technology investments, companies should conduct a comprehensive cost-benefit analysis. This evaluation should consider the potential long-term benefits, such as reduced energy consumption, improved operational efficiency, and enhanced competitiveness, against the initial and ongoing costs of technology implementation. Furthermore, we call for research that considers the coupling coordination between technological

applications and green transformation [5].

By carefully considering these technology investment and cost factors, companies can make informed decisions about how to apply intelligent technologies to drive the green transformation of maritime logistics in Ningbo while balancing their financial considerations.

2.2. Non-technical factors

In addition to technical challenges, non-technical factors can also influence the effectiveness of using intelligent technologies to drive the green transformation of maritime logistics in Ningbo. Factors such as management capabilities, employee awareness, organizational structure, and business philosophy can all impact the successful application of technology. Without considering these factors adequately, even with the adoption of advanced intelligent technologies, the expected green transformation outcomes may not be achieved.

The management level of a company plays a crucial role in the implementation of intelligent technologies. Effective leadership and decision-making are necessary to guide the organization through the transformation process. Managers need to understand the potential benefits and costs associated with technology adoption and make informed choices accordingly. Employee awareness and engagement are essential for successful technology implementation. Organizations integrate sustainable practices by providing education and training to employees [6], enabling them to understand the advantages of intelligent technologies and their role in achieving green objectives. Without a supportive and knowledgeable workforce, the adoption of these technologies may face resistance or encounter difficulties in implementation.

The organizational structure and culture of a company can either facilitate or hinder the integration of intelligent technologies. A flexible and agile organizational structure that encourages collaboration and innovation is more likely to embrace and leverage these technologies effectively. On the other hand, a rigid and hierarchical structure may impede the adoption process. The business philosophy and strategic goals of a company also impact the approach to technology investment. Companies with a long-term vision and commitment to sustainability are more likely to allocate resources and prioritize investments in intelligent technologies. Conversely, companies focused solely on short-term financial gains may be reluctant to invest in these technologies, even if they offer potential long-term benefits.

To drive the green transformation of maritime logistics in Ningbo through intelligent technologies, it is crucial to consider and address these non-technical factors. Companies need to enhance their

management capabilities, promote employee awareness, adapt their organizational structure, and align their business philosophy with sustainability goals [7]. Only by doing so can they fully leverage the potential of intelligent technologies and achieve the desired green transformation outcomes.

2.3. Data Security

In the process of leveraging intelligent technologies to drive the green transformation of maritime logistics in Ningbo, a vast amount of data is collected, stored, and analyzed. This raises concerns regarding data security. Ensuring that data is not illegally accessed or misused is a crucial issue that companies must consider when implementing intelligent technologies.

With the collection and storage of sensitive data, such as customer information, logistics operations, and environmental impact assessments, there is an increased risk of data breaches and unauthorized access. Hackers and malicious actors may attempt to gain unauthorized access to valuable data for personal gain or to disrupt operations. This poses a significant threat to the integrity and confidentiality of the data. Furthermore, the misuse of data can have severe consequences for both individuals and organizations. Personal information may be used for identity theft or fraud, while business data can be exploited for competitive advantage or to manipulate markets. In the context of green transformation, inaccurate or manipulated data can also lead to false conclusions or misguided decisions, undermining the effectiveness of the transformation efforts.

To address these data security challenges, companies need to implement robust security measures. This includes employing encryption techniques to protect data in transit and at rest, implementing access controls to restrict unauthorized access, and regularly monitoring and auditing data systems for any suspicious activities. Additionally, companies should invest in employee training to raise awareness about data security best practices and establish clear policies and procedures for data handling and protection. Collaboration with cybersecurity experts and adherence to industry standards and regulations can further enhance data security. Regular vulnerability assessments and penetration testing can help identify potential weaknesses in data systems and proactively address them. Additionally, companies can consider adopting technologies such as blockchain, which offer enhanced security and transparency in data transactions [8].

By prioritizing data security and implementing comprehensive measures, companies can mitigate the risks associated with data collection and analysis in the context of intelligent technologies. This ensures that data remains secure, confidential, and protected from unauthorized access or misuse, enabling a safer and more effective green transformation of maritime logistics in Ningbo.

3. Conclusion

The green transformation of maritime logistics in Ningbo necessitates the effective utilization of intelligent technologies. However, several critical challenges and considerations must be addressed to ensure the success of this transformation. This paper has examined three key areas: technological investment and costs, non-technical factors, and data security. By exploring these challenges and proposing corresponding solutions, we can pave the way for a sustainable and efficient green transformation.

Firstly, technological investment and costs pose a significant hurdle. While intelligent technologies offer immense potential for optimizing operations and reducing environmental impact, the initial investment and ongoing maintenance costs can be substantial. To overcome this challenge, companies must carefully evaluate the long-term benefits and weigh them against the upfront costs. Implementing a comprehensive cost-benefit analysis, seeking government incentives or subsidies, and exploring collaborative partnerships can help mitigate financial barriers and facilitate the adoption of intelligent technologies.

Secondly, non-technical factors have a crucial influence on the success of the green transformation. Management capabilities, employee awareness, organizational structure, and business philosophy all play pivotal roles in driving the effective integration of intelligent technologies. Organizations must prioritize developing strong leadership and decision-making capabilities, fostering employee engagement and training programs, fostering a flexible and innovative organizational structure, and aligning business strategies with sustainability goals. By addressing these non-technical factors, companies can create an environment conducive to the successful implementation of intelligent technologies.

Lastly, data security is of paramount importance. With the collection, storage, and analysis of vast amounts of data, companies face the risk of data breaches and unauthorized access. To safeguard the integrity and confidentiality of data, companies must implement robust security measures. This includes encryption techniques, access controls, regular monitoring, and employee training. Collaboration with cybersecurity experts and adherence to industry standards can further enhance data security. By prioritizing data security, companies can ensure the safe and responsible use of data in driving the green transformation.

In conclusion, the green transformation of maritime logistics in Ningbo can be effectively driven by intelligent technologies. By addressing challenges related to technological investment and costs,

non-technical factors, and data security, companies can overcome barriers and unlock the full potential of these technologies. The successful implementation of intelligent technologies will lead to improved operational efficiency, reduced environmental impact, and a sustainable future for maritime logistics in Ningbo. It is imperative for companies, governments, and stakeholders to collaborate, invest, and prioritize these solutions to achieve a greener and more efficient maritime logistics industry.

Acknowledgment

This work is supported by Ningbo Philosophy and Social Science Planning Project (G2023-2-56).

References

- [1] Yuen, K. F., Li, K. X., Xu, G., Wang, X., & Wong, Y. D. (2019). A taxonomy of resources for sustainable shipping management: Their interrelationships and effects on business performance. *Transportation Research Part E: Logistics and Transportation Review*, 128, 316-332.
- [2] Pang, Q., Cai, L., Wang, X., & Fang, M. (2024). Digital transformation as the fuel for sailing toward sustainable success: the roles of coordination mechanisms and social norms. *Journal of Enterprise Information Management*, ahead of print.
- [3] Wang, L., Yao, J., Zhang, H., Pang, Q., & Fang, M. (2023). A sustainable shipping management framework in the marine environment: Institutional pressure, eco-design, and cross-functional perspectives. *Frontiers in Marine Science*, 9, 1070078.
- [4] Xing, J., Shen, J., Pang, Q., Fang, M., & Chen, H. (2023). The finest diamond must be green: A closer look at the roles of institution in shipping firms' sustainable practices. *Environmental Science and Pollution Research*, 30(35), 84631-84644.
- [5] Yao, J., Wang, L., Pang, Q., & Fang, M. (2023). Coupling coordination and spatial analyses of the MICE and tourism industries: do they fit well?. *Current Issues in Tourism*, 1-14.
- [6] Pang, Q., Fang, M., Wang, L., Mi, K., & Su, M. (2023). Increasing couriers' job satisfaction through social-sustainability practices: perceived fairness and psychological-safety perspectives. *Behavioral Sciences*, 13(2), 125.
- [7] Tran, T. M. T., Yuen, K. F., Li, K. X., Balci, G., & Ma, F. (2020). A theory-driven identification and ranking of the critical success factors of sustainable shipping management. *Journal of Cleaner Production*, 243, 118401.
- [8] Wang, J., Chen, J., Ren, Y., Sharma, P. K., Alfarraj, O., & Tolba, A. (2022). Data security storage mechanism based on blockchain industrial Internet of Things. *Computers & Industrial Engineering*, 164, 107903.