



PART 1

Read the text below and answer questions 1–13.

FROM LINEAR TO CIRCULAR: RETHINKING OUR ECONOMIC MODEL

A

For much of the industrial era, production followed a linear logic: extract resources, manufacture goods, consume them, and dispose of what remains. This model delivered rising output and falling unit costs, but it also intensified waste, accelerated resource depletion, and increased emissions. In response, the circular economy proposes a different organising principle: keep materials and products in use for as long as possible, recover value at the end of use, and redesign systems so that economic activity becomes less dependent on constant extraction. The ambition is not merely better recycling, but resource decoupling—maintaining living standards while reducing the throughput of virgin materials.

B

Design is the first leverage point because it determines whether products can realistically stay in circulation. A device that can be opened, repaired, and updated can remain valuable for years, whereas a glued-shut, proprietary item may become waste while most of its components still function. Circular design therefore challenges planned obsolescence by prioritising modular parts, repairable fastenings, and clear documentation. It also requires thinking about disassembly at the outset, since components that cannot be separated cleanly are difficult to reuse or remanufacture. In practice, this shifts attention upstream from household disposal to engineering and procurement decisions that lock in either longevity or premature discard.

C

A second lever is business model innovation. Instead of selling a product once and profiting from replacement, firms can provide a service: leasing equipment, bundling maintenance, or retaining ownership and charging for performance. These arrangements can align profit with durability, because the provider has an incentive to repair and refurbish rather than replace. Many companies also experiment with take-back programmes that bring used items back into controlled channels, where they can be inspected, remanufactured, or redistributed. However, service models are operationally demanding: they require reverse logistics, customer trust, and accounting methods that value long-lived assets rather than rapid sales cycles, all of which can be difficult in markets built around novelty and fast turnover.



D

Material recovery is often the most visible element of circularity, but it is not synonymous with it. Recycling can reduce landfill and lower demand for virgin inputs, yet it can also downcycle materials into lower-value applications when contamination, mixed polymers, or degraded fibres reduce quality. A plastic that returns as a lower-grade product, for example, preserves less embedded energy than a component that is reused or refurbished in its original form. Higher circularity typically depends on strategies above recycling in the “value hierarchy”: reuse, repair, refurbishment, and remanufacturing. These approaches preserve more of the product’s functional value and can reduce the need to melt, shred, or reprocess materials in energy-intensive ways.

E

Measurement remains a persistent challenge because circular claims can be easy to make and hard to verify. Companies may highlight recycling rates or the proportion of recycled content while ignoring total throughput, lifecycle impacts, or where waste actually ends up. The rebound effect, sometimes discussed as Jevons paradox, complicates evaluation: if “circular” products become cheaper or more convenient, overall consumption can rise, shrinking environmental gains even when each unit uses fewer resources. Reliable metrics therefore need to track system-wide outcomes, including durability, repair rates, material losses, and the full lifecycle impacts of production, use, and end-of-life management, rather than focusing on a single indicator that can be optimised without real progress.

F

Policy can accelerate circular transitions by reshaping incentives across markets. Repair rights and eco-design standards can make it easier to maintain products and to access spare parts and documentation. Extended producer responsibility (EPR) policies can push responsibility beyond the point of sale, requiring firms to fund collection, sorting, and safe end-of-life treatment, which encourages better design and material choices. Public procurement can also create stable demand for refurbished goods, making remanufacturing industries more viable. Yet policy signals can conflict: subsidies for virgin materials, weak enforcement, or fragmented standards can undermine circular goals. Regulation therefore matters not just in setting targets, but in sustaining credible compliance and preventing “green” labelling from substituting for structural change.

G

Circularity also raises social and labour questions that are sometimes overlooked in technical discussions. Repair, refurbishment, and remanufacturing can create local jobs and strengthen regional supply capabilities, but they can also shift burdens onto informal sectors if collection and dismantling work is poorly protected. In some settings, low-paid



workers handle hazardous materials without adequate safeguards, while wealthier consumers capture most of the value from durable goods and warranties. There is also a distributional risk: if high-quality, long-life products are accessible mainly to affluent households, poorer groups may be channelled into low-quality second-hand markets that fail sooner and cost more over time. A circular transition that ignores labour standards can therefore reproduce inequality even while reducing physical waste.

H

Technology can support circular systems, but it does not replace governance. Digital product passports, for example, can store data about materials, components, and repair history, making it easier to identify parts, verify provenance, and plan reuse at end of life. Advanced sorting tools and better tracking can improve recycling quality and reduce contamination in closed-loop supply chains. However, these tools depend on shared data standards, incentives for participation, and careful handling of privacy and commercial sensitivity. Ultimately, the shift from linear to circular is not a single solution but a redesign of value: better product design, viable business models, credible measurement, and policy and regulation that align market behaviour with long-term resource stewardship.

Questions 1–4

Choose the correct heading for each paragraph.

List of Headings

- i Why recycling alone may lower material value
- ii Design choices that decide whether products can stay in circulation
- iii How service-based models can encourage repair and remanufacture
- iv The danger of “circularity” claims without meaningful measurement
- v Digital systems as the key to circular success
- vi Why circular systems automatically reduce total consumption
- vii The role of policy in speeding up circular transitions

1 Paragraph B

2 Paragraph C

3 Paragraph D

4 Paragraph E



Questions 5–8

Which paragraph contains the following information? Choose the correct letter, **A–H**. **NB** You may use any letter more than once.

- 5** A policy measure that extends a company's responsibility beyond the point of sale.
- 6** The idea that efficiency or lower costs could trigger higher overall consumption.
- 7** Concern that circular work may be pushed onto poorly regulated or informal labour.
- 8** A reference to storing details about materials and maintenance for future reuse.

Questions 9–13

Complete the sentences below. Choose **ONE WORD ONLY** from the text for each answer.

- 9** Circular design must consider at the outset so that components can be separated cleanly.
- 10** To get products back after use, some firms run programmes.
- 11** Recycling may reduce waste, but it can also materials.
- 12** Reliable metrics should assess full lifecycle
- 13** The transition requires policies and that align market behaviour with long-term resource stewardship.

Answer Key

- 1. ii
- 2. iii
- 3. i
- 4. iv
- 5. F
- 6. E
- 7. G
- 8. H
- 9. disassembly
- 10. take-back



11. downcycle

12. impacts

13. regulation