

Educational sheet 6

CIRCULAR BUSINESS MODELS



Educational sheet 6 Circular business models

**CIRCULARITY IS NOT A TREND,
IT IS A WAY OF THINKING.**

Unlike linear business models, which focus on selling as many products as possible that become waste immediately after use, **circular business models** are sustainable. Sustainable products are designed to have a long service life and can be repaired, upgraded, and recycled. The revenue of a circular business is also generated through maintenance, refurbishment, replacement parts, and services.

Repairs are one of the most effective practices of the circular economy, as they reduce environmental impact while strengthening the local economy. They address four key areas:

-  **CONSUMERISM** Promoting repairs changes consumer culture, condemns misinformation, and planned obsolescence.
-  **RAW MATERIALS** Repairs reduce the need to mine rare raw materials, thereby reducing pollution and preventing worker exploitation.
-  **ENERGY** Repairs conserve the energy that went into making the existing product.
-  **WASTE** Repairs extend the life of products and significantly reduces the amount of waste.



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TURN A PROBLEM INTO AN OPPORTUNITY

Businesses should consider circularity at multiple levels:

- can use waste, discarded, recycled, or biodegradable materials for repairs,
- can collaborate with local repairers, shops, and associations,
- can offer to take back irreparable products,
- should be transparent about where the materials for their products come from,
- should create new jobs,
- should encourage creativity and innovation.