
Transition from Linear Supply Chain to Circular Economy

Saurabh Agrawal^{1*}

¹Mechanical, Production & Industrial Engineering Department,
Delhi Technological University, Delhi

Abstract

Recently the circular economy has increasingly received attention worldwide due to the recognition that the supply of resources and environmental sustainability are crucial for the prosperity of all the countries and businesses. The current model of economic development known as 'take, make and dispose' is based on the exploitation of virgin raw materials and energy, which are fundamental for the development of world economies. However, this linear approach to production and consumption, where natural resources give rise to manufactured goods, is reaching its limits. Business leaders and governments around the world are increasingly looking beyond the linear 'take, make, dispose' model of growth, with a view to operate a strategic move towards an approach fit for the long term. Past research has demonstrated the potential of the circular economy – one that is restorative and regenerative by design and makes effective use of materials and energy in a digitally-enabled model of development. The Circular Economy focuses on value maximization through the reduction or even mitigation of waste and on operating in cycles instead of chains; and products, materials, and resources are kept in the economy for as long as possible, contributes to minimizing the generation of waste.

Key words: Sustainability, Supply chain management, Circular economy, Recycling, Remanufacturing