2	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is C** **A** is not correct because this is a private benefit **B** is not correct because this is a private benefit **D** is not correct because this is a private cost	**(1)**

6	**QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	A	**(1)**

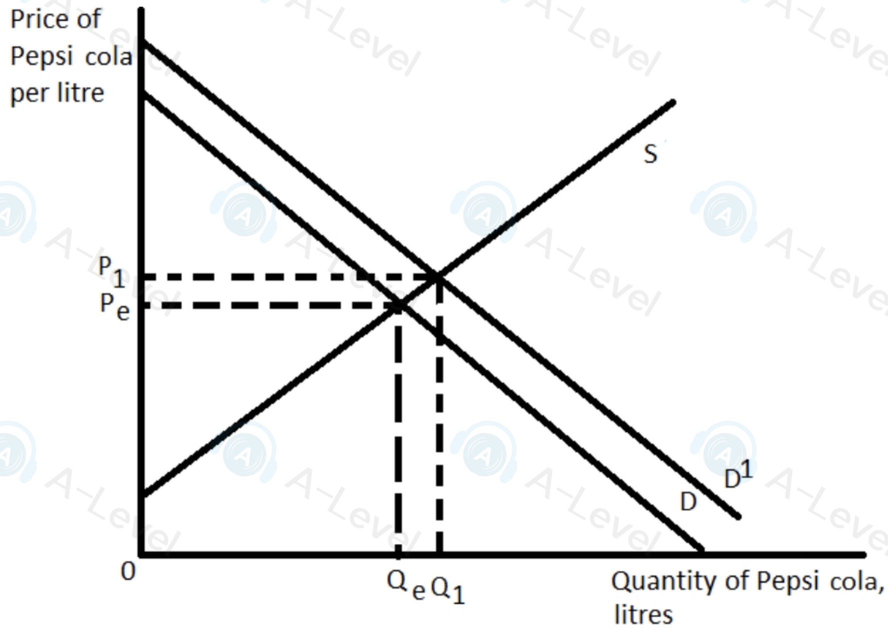
4	**QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is D** **A** is not correct because Q_1 is the market equilibrium output **B** is not correct because Q_2 is the social optimum output **C** is not correct because ABC is the welfare gain	**(1)**

4	**QS4**: Construct and interpret a range of standard graphical forms **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is A** **B** is not correct because this is the area of consumer surplus **C** is not correct because the area the government will spend is GHKJ **D** is not correct because this is the total revenue to farmers	**(1)**

2	**QS2:** Calculate, use and understand percentages, percentage changes and percentage point changes **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms	**The only correct answer is B** **A** the largest percentage decline in the use of the non-renewable resource was in the USA **C** is not correct because in all countries the use of the non-renewable resource decreased **D** is not correct because in all countries the use of the renewable resources increased	**(1)**

5	**QS8**: Make calculations of elasticity and interpret the result	C	**(1)**

Question Number	Answer	Mark
11	**Knowledge 1, Application 1, Analysis 2** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **QS8:** Make calculations of elasticity and interpret the result. **Knowledge** 1 mark for definition/formula of cross elasticity of demand e.g.: Responsiveness of demand for one product to a change in the price of another product Or $\dfrac{\text{\% change in quantity demanded of good x}}{\text{\% change in price of good y}}$ **(1)** **Application** 1 mark for identifying that Pepsi cola and Coca Cola are substitutes • The XED is positive and therefore they are substitutes. **(1)** **Analysis** Up to 2 marks for likely impact on Pepsi cola • An increase in demand **(1)** of 12.4% (1.24 x 10) **(1)** **NB accept rounded figures** **OR**	**(4)**



- For showing increase in demand **(1)**
- For showing increase in equilibrium price/ quantity **(1)**

Or

- Verbal description of impact of increase in price of Coca Cola on demand for Pepsi cola
- As the price of Coca Cola increases consumers will substitute to the relatively cheaper Pepsi cola causing the demand to increase **(1)** the percentage increase will be greater than 10 as the cross elasticity is elastic **(1)**
- Close substitutes **(1)** so the impact so will result in a more than proportionate impact **(1)**

Question	*Ceteris paribus*, calculate the price elasticity of supply for green coffee beans. Show your workings. **Answer**	Mark
10	**Knowledge 1, Application 3** Quantitative skills assessed: **QS8:** Make calculations of elasticity and interpret the result. **QS9**: Interpret, apply and analyse information in written, graphical, tabular and numerical forms **Knowledge** 1 mark for definition/the formula of price elasticity of supply $\frac{\text{\% change in quantity supplied}}{\text{\% change in price}}$ **(1)** **Application** Up to 3 marks for calculations: • % change in green coffee bean output 11 550 000- 8 510 000/8 510 000 x 100 = 35.7226792% **(1)** • % change in price 1.82-1.61/1.61 x 100 = 13.0434783% **(1)** 35.7226792% ÷ 13.0434783% = 2.73873873 **(1)** **NB: if correct answer (e.g. 2.7/ 2.74/2.739) is given, award full marks regardless of working.** **Accept reasonable rounding from full calculation (e.g. 36/13 = 2.8)** **Award 3 marks for 2.74%**	**(4)**

Question Number	With reference to Canada's electricity generation, explain the difference between 'renewable resources' and 'non-renewable resources'. Answer	Mark
8	**Knowledge 2, Application 2** **Knowledge** 1 mark for defining 'renewable resources' • An economic resource which is not depleted by use/ replenishes after use/ can be used continuously/ be used again and again **(1)**. 1 mark for defining 'non-renewable resources' • An economic resource that cannot be replaced/ replenished once used/ resource that is finite **(1)**. **Application** 1 mark for applying to the Canada's energy generation for a renewable resource, e.g.: • Hydro **(1)** • Other renewables could include solar/ wind **(1)** 1 mark for applying to the Canada's energy generation for a non-renewable resource, e.g.: • Coal/ Natural gas **(1)**. • Most electricity generated is renewable **(1)**	**(4)**

Question	Between 2019 and 2022 the number of international visitors to Czechia decreased from 6.8 million to 4.5 million. Ceteris paribus, explain the likely impact on the producer surplus in the hotel market in Czechia. Illustrate your answer with a supply and demand diagram. **Answer**	**Mark**

11

Knowledge 1, Application 1, Analysis 2

Quantitative skills assessed:

QS4: Construct and interpret a range of standard graphical forms

QS9: Interpret, apply and analyse information in written, graphical, tabular and numerical forms.

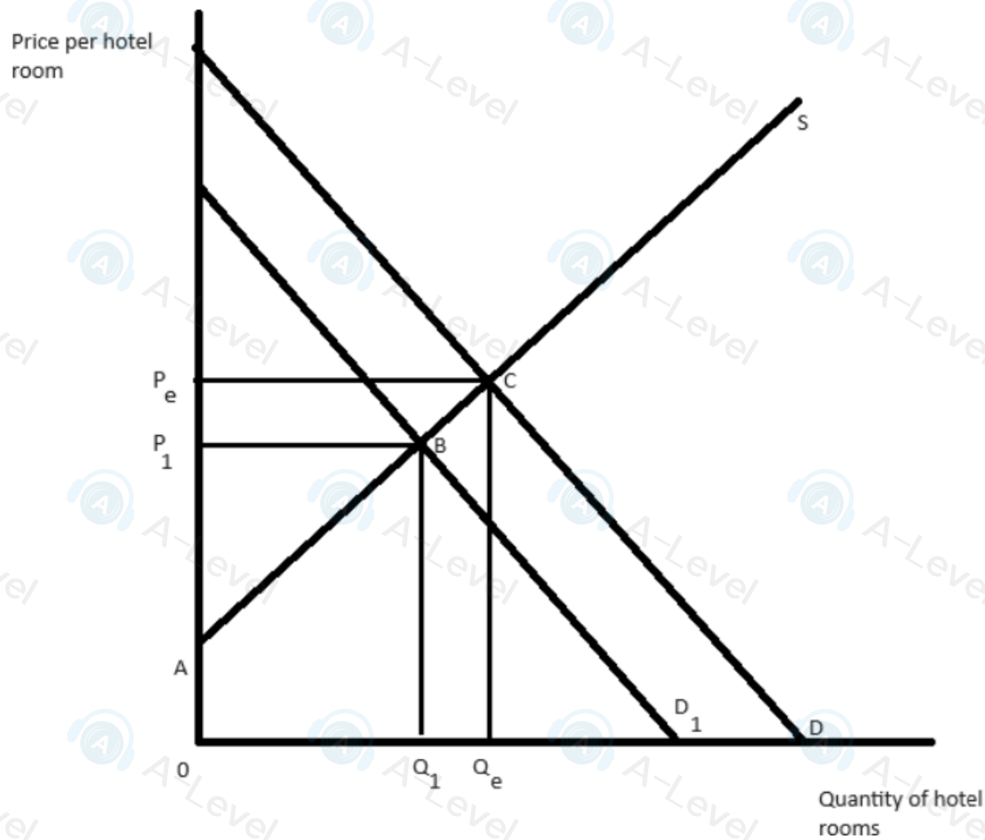
Knowledge

1 mark for definition of producer surplus e.g.:

- Producer surplus is the difference between the amount a producer is willing to sell a good for and the price they actually receive/ shown by the difference between the supply curve and the market equilibrium price **(1)**

Application

1 mark for inwards/leftwards shift of demand **(1)**



Analysis

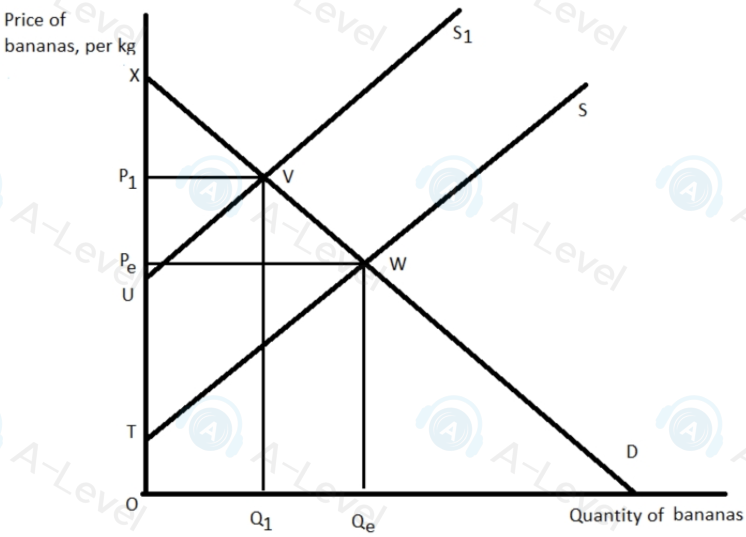
Up to 2 marks for showing the change in producer surplus

- Producer surplus decreases **(1)** by BCP_eP_1 **(1)**

Or

- Original producer surplus ACP_e **(1) and** New producer surplus ABP_1 **(1)**

(4)

Question	Between January 2020 and May 2020 the price of bananas charged by retailers in the USA increased from \$1.17 to \$1.30 per kg. This was mainly caused by increased costs of transportation from banana growers to markets in North America. Explain the likely impact of this change in price on consumer surplus. Illustrate your answer with a diagram. **Answer**	Mark
11	**Knowledge 1, Application 1, Analysis 2** Quantitative skills assessed: **QS4**: Construct and interpret a range of standard graphical forms **Knowledge** 1 mark for defining consumer surplus • Consumer surplus is the difference between the price which consumers are willing to pay and the market price/gap between the equilibrium price and the demand curve **(1)** **Application** 1 mark for the following diagram, showing the correct shift in supply  **Analysis** Up to 2 marks for likely impact on consumer surplus • Consumer surplus is originally P_eWX **(1)** • Consumer surplus decreases **(1)** to P_1VX **(1)** • Consumer surplus decreases **(1)** by P_eP_1VW **(1)**	**(4)**