market. This is due to high field level transaction cost, lack of innovative product development and especially ineffective utilisation of entrepreneurial forces.

High battery prices and inability to source quality raw materials or accessories, cost effectively are also two the major challenges most service providers face. Training and retaining efficient human resources at the field level is also very difficult.

We need a competitive business culture to innovate, cut costs, attract investment and take steps for penetrating new markets. Let me elaborate:

I imagine a day when world-class solar panels and other accessories would be assembled on the soil of Bangladesh to be exported to other countries, after meeting domestic demand.

- We need to create business companies -- small and big, linked with village-based entrepreneurs to spread solar and other renewables to every nook and corner of the country. This would cut transaction cost, create ownership, innovations, and competition.
- We can create local women entrepreneurs to promote solar lanterns, small SHS as well as improved cooking stoves. The women entrepreneurs can set up micro-enterprises and be linked to SME financing to carry out their businesses..
- We can link government-funded youth programs with renewable energy to provide training and soft loans to local youth who will install, as well as provide, after sales service for renewable energy technologies.
- We can focus on innovative business models to popularise solar pumps, mini-grids, etc. This could be through village-based entrepreneurs who would invest in the technology and earn a return by renting the technology to others. The entrepreneurs can source loans from rural banks for micro-enterprise scheme.
- We can set up special windows for green energy in all banks, especially in the rural areas for providing credit to consumers and entrepreneurs.
- We also need to create win-win linkages between renewable companies, suppliers and banks. This would lead to new source of funds, expansion, and diversification and eventually put the companies on the stock market.
- We need to set up more battery and other solar accessory-manufacturing units to create a competitive environment, reduce costs, and increase efficiency. We should also set up solar panel manufacturing units. Our government should try to attract foreign investment and R&D in this sector.
- We should concentrate on manufacturing export quality products to achieve economies of scale and tap into the world market. We can consider setting up green enterprise zones especially for solar accessories such as charge controllers, invertors, mobile chargers etc in the rural areas, to create green jobs with a focus on women.
- We need to develop a sustainable framework for developing human resources through country wide vocational centers, training institutes, etc. The trained human resource can be exported worldwide to earn us valuable foreign currency.
- We need to focus on R&D and have innovation departments in all universities linked with AIT, MIT and other world class institutes. This would help us to adapt, pilot test new technologies and especially develop engineers who are excellent in product design and implementation.

We will soon be passing the budget for 2010. I urgently request our policy makers to focus on the following:

Removal of VAT/tax for all solar products: Bangladesh has one of the highest VAT/taxes on solar accessories and raw materials. This should be removed to reduce