



DELIVERING THE FUTURE



PRODUCT DIVERSIFICATION SCHEME

The Product Diversification (PDS) Scheme enables clothing and finished textile product producers to earn Duty Credits to apply against imported fully finished products.

Benefits

The PDS is designed to help eligible producers internationalise their sourcing arrangements and diversify their locally produced product range. It achieves this by applying the Duty Credits earned under the PDS and lowering the cost of imported fully finished products.

Who can apply?

Eligibility is restricted to clothing and finished textile producers who are entitled to be paid a grant under the TCF Strategic Investment Program (SIP) or the TCF Post 2005 Strategic Investment Program (SIP). In addition the producer must be able to demonstrate increased local production in a nominated category of goods. Category nomination is at the producer's prerogative and can be broad, covering their total product range, or limited to an individual product category.

Restrictions and limitations

- The PDS Duty Credit pool is limited to \$5million a program year.
- A producer's entitlement will be apportioned by the total additional production of all producers earning Duty Credits.
- Duty Credits will be issued in the year after receipt of an SIP grant and must be used during that year.

- Duty Credits are only useable against imports of fully finished clothing and finished textile products.
- Duty Credits are not transferable.
- In the year that the Duty Credits are used, the amount of Duty Credit plus that year's SIP grant must not exceed the 5% sales based cap for SIP. If it does, the producer will not be allowed to apply for PDS in that year.

The TCF Way

TCF Services, a team of industry specialists with over 20 years experience in delivering the benefits of successive Commonwealth TCF assistance programs, are the leading provider of assistance and advice to companies participating in SIP.

Having developed a specific team of experts to work in the clothing and finished textile sectors and managing a client's SIP success puts us in the best position to advise on strategies for maximizing returns under the Product Diversification Scheme.

PDS Duty Credits can also be seamlessly applied to clients of our Lynair freight forwarding and customs brokerage services.

We describe this approach as the TCF Way.

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