



GLOSSARY OF ACRONYMS

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Glossary of Acronyms

3G	Third Generation
3PL	Third Party Logistics Provider
4PL	Fourth Party Logistics Provider
ABS	Acrylonitrile-Butadiene Styrene
AEC	ASEAN Economic Community
AFAS	ASEAN Framework Agreement on Services
AFTA	ASEAN Free Trade Area
AIA	ASEAN Investment Area
AICO	ASEAN Industrial Cooperation Scheme
AIDS	Acquired Immune Deficiency Syndrome
ALAM	Akademi Laut Malaysia
ASEAN	Association of Southeast Asian Nations
ASEAN +3	Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam, People's Republic of China, Japan and Republic of Korea
ASEAN 5	Indonesia, Malaysia, Philippines, Singapore and Thailand
ASEAN 6	Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand
ASPs	Application Service Providers
BCIC	Bumiputera Commercial and Industrial Community
BEST	Business Enabling Skills Training
BIMP-EAGA	Brunei, Indonesia, Malaysia, Philippines East Asia Growth Area
BIMSTEC	Bangladesh-Bhutan-India-Myanmar-Nepal-Sri Lanka-Thailand-Economic Co-operation
BOP	Balance of Payments
BPO	Business Process Outsourcing
CAD	Computer-Aided Design
CAE	Computer-Aided Engineering
CAM	Computer-Aided Manufacturing

CBU	Completely Built-Up
CEP	Comprehensive Economic Partnership
CEPT	Common Effective Preferential Tariff
cGMP	Current Good Manufacturing Practice
CIDB	Construction Industry Development Board
CIF	Cost, Insurance, Freight
CIPE	Capital Investment Per Employee
CKD	Completely Knocked-Down
CNC	Computerised Numerical Control
COMESA	Common Market for Eastern and Southern Africa
CPC	Central Product Classification
CPO	Crude Palm Oil
CRC	Cold-Rolled Coils
CRT	Cathode Ray Tube
CUF	Centralised Utilities and Facilities
DCI	Development Composite Index
D&D	Design and Development
DI	Domestic Investments
DNA	Deoxyribonucleic Acid
DPVC	Dispersion PVC
DVD	Digital Versatile Disc
DWT	Deadweight Tonnes
E&E	Electrical and Electronics
EB	Ethylbenzene
EDI	Electronic Data Interchange
EFT	Electronic Fund Transfer
EFTA	European Free Trade Area
EG	Ethylene Glycol
EO	Ethylene Oxide
EPS	Expandable Polystyrene
EPU	Economic Planning Unit
EU	European Union

EVA	Ethylene Vinyl Acetate
EXIM Bank	Export-Import Bank of Malaysia Berhad
FAMA	Federal Agricultural Marketing Authority
FDIs	Foreign Direct Investments
FMM	Federation of Malaysian Manufacturers
FOB	Free on Board
FPGA	Field-Programmable Gate Array
FTA	Free Trade Agreement
GATS	General Agreement on Trade in Services
GATT	General Agreement on Tariff and Trade
GCP	Good Clinical Practice
GDP	Gross Domestic Product
GHP	Good Hygiene Practice
GLC	Government-Linked Company
GMP	Good Manufacturing Practice
GNP	Gross National Product
GPS	Global Positioning System
GRP	Good Regulatory Practice
GRT	Gross Registered Tonnage
GSM	Global Systems for Mobile Communication
HACCP	Hazard Analysis Critical Control Points
HRC	Hot-Rolled Coils
HRD	Human Resource Development
HRDF	Human Resource Development Fund
ICA	Industrial Coordination Act
ICT	Information and Communication Technology
IDC	International Data Corporation
IFANCA	The Islamic Food and Nutrition Council of America
IGS	Industry Grant Scheme
ILO	International Labour Organisation
ILP	Industrial Linkage Programme
IMP2	Second Industrial Master Plan

IMP3	Third Industrial Master Plan
IMT-GT	Indonesia-Malaysia-Thailand Growth Triangle
IOFCs	International Offshore Financial Centres
IP	Intellectual Property
IPC	International Procurement Centre
I-Port	Interactive Transport Information System
IPR	Intellectual Property Right
IPV6	Internet Protocol Version 6
IRPA	Intensified Research in Priority Area
ISO	International Organization for Standardization
IT	Information Technology
ITAF	Industrial Technical Assistance Fund
JAKIM	Department of Islamic Development, Malaysia
KLIA	Kuala Lumpur International Airport
KTMB	Keretapi Tanah Melayu Berhad
LAN	National Accreditation Board
LMW	Licensed Manufacturing Warehouse
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
M&A	Merger and Acquisition
M&E	Machinery and Equipment
MANex	Malaysian Automotive Network Exchange
MARA	Majlis Amanah Rakyat
MARDI	Malaysian Agricultural Research and Development Institute
MAS	Malaysian Airlines System
MASTIC	Malaysian Science and Technology Information Centre
MATRADE	Malaysia External Trade Development Corporation
MATRIIX	MITI and Agencies Trade and Industry Information Exchange
MDC	Multimedia Development Corporation
MDeC	Multimedia Development Corporation (Effective 7 April 2006)
MDF	Medium Density Fibreboard
MDG	Market Development Grant

MDS	Middle Distillates Synthesis
MEASAT	Malaysia East Asia Satellite
MEPS	Malaysian Electronic Payment System
MERCOSUR	Southern Common Market
MFN	Most-Favoured Nation
MIDA	Malaysian Industrial Development Authority
MIGHT	Malaysia Industry-Government Group for High Technology
MIHAS	Malaysia International Halal Showcase
MIMOS	Malaysia Institute of Microelectronics System
MISC	Malaysia International Shipping Corporation
MIT	Massachusetts Institute of Technology
MITI	Ministry of International Trade and Industry
MLC	Multi-Leaded Chips
MLVK	Majlis Latihan Vokasional Kebangsaan
MNC	Multinational Corporation
MODENAS	Motosikal dan Enjin Nasional
MPOB	Malaysian Palm Oil Board
MRA	Mutual Recognition Arrangement
MRS	Manufacturing-Related Services
MS	Malaysian Standards
MSC	Multimedia Super Corridor
MSC Malaysia	Multimedia Super Corridor of Malaysia (Effective 7 April 2006)
MTBE	Methyl Tertiary Butyl Ether
MTDC	Malaysian Technology Development Corporation
MTIB	Malaysian Timber Industry Board
MyICMS 886	Malaysian Information, Communications and Multimedia Services Strategy
MyREN	Malaysia Research and Education Network
NAFTA	North America Free Trade Agreement
NAP3	Third National Agricultural Policy
NAPSEC	National Professional Services Export Council
NBR	Nitrile-Butadiene Rubber
NIEs	Newly Industrialised Economies

NPC	National Productivity Corporation
OBM	Own Brand Manufacturer
ODM	Own Design Manufacturer
OECD	Organisation for Economic Cooperation and Development
OEM	Original Equipment Manufacturer
OHQ	Operational Headquarters
OIC	Organisation of Islamic Conference
OLEDs	Organic Light Emitting Diodes
OLGA	Organic Land Grid Array
PE	Polyethylene
PERODUA	Perusahaan Otomobil Kedua Sdn Bhd
PETG	Polyester Co-polymer
PETRONAS	Petroleum Nasional Berhad
PIAs	Permit Issuing Agencies
PLUS	Projek Lebuhraya Utara-Selatan
PLWS	Productivity-Linked Wage System
POM	Polyoxymethylene
PORIM	Palm Oil Research Institute of Malaysia
PP	Polypropylene
PROSPER	Projek Usahawan Bumiputra Dalam Bidang Peruncitan
PROTON	Perusahaan Otomobil Nasional Berhad
PS	Polystyrene
PSDC	Professional Services Development Corporation
PSMB	Pembangunan Sumber Manusia Berhad
PTP	Port of Tanjung Pelepas
PUNB	Perbadanan Usahawan Nasional Berhad
PUSPAKOM	Pusat Pemeriksaan Kenderaan Berkomputer Sdn. Bhd.
PVC	Polyvinyl Chloride
R&D	Research & Development
RAM	Random Access Memory
RAZAK-SAT	RAZAK Satellite
RBD	Refined, Bleached and Deodorised

RDC	Regional Distribution Centre
RFID	Radio Frequency Identification
RMK-9	Ninth Malaysia Plan, 2006-2010
S&T	Science and Technology
SAFTA	Singapore-Australia Free Trade Agreement
SARS	Severe Acute Respiratory Syndrom
SIRIM	Standard and Industrial Research Institute of Malaysia
SME	Small and Medium Enterprise
SMG	Standard Malaysian Glove
SMIDEC	Small and Medium Industries Development Corporation
SMK	Customs Information System
TEU	Twenty-Foot Equivalent Unit of Container
TFP	Total Factor Productivity
TFT-LCD	Thin-Film Transistor-Liquid Crystal Displays
TIFA	Trade and Investment Framework Agreement
TNB	Tenaga Nasional Berhad
TRIMs	Trade Related Investment Measures
TRIPs	Trade Related Aspect of Intellectual Property Rights
UK	United Kingdom
UNCTAD	United Nations Conference on Trade and Development
USA	United States of America
VoIP	Voice Over Internet Protocol
WiFi	Wireless-Fidelity
WiMAX	Worldwide Interoperability for Microwave Access
WTO	World Trade Organisation



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Glossary of Terms

Ad-valorem Duty

Duty levied by Customs authorities on goods or commodities in proportion to their value.

ASEAN Industrial Cooperation (AICO) Scheme

Industrial cooperation programme of ASEAN to promote joint manufacturing industrial activities between ASEAN-based companies. A minimum of two companies in two different ASEAN countries is required to form an 'AICO Arrangement'.

AT Kearney Offshore Location Attractiveness Index

Annual index to help companies understand and compare factors that make countries attractive as potential locations for offshore services. It measures the viability of countries as offshore destinations, based on their financial structure, people skills and availability, and business environment.

Balance of Payments

Net increase (domestic less foreign) in a country's official reserve assets. Equal to the official settlements balance.

Benchmarking

A systematic and continuous process of searching, learning, adapting and implementing the best practices from within own organisation or from other organisations towards attaining superior performance.

Bill of Lading

Basic document between a shipper and a carrier and a shipper and consignee. Represents the contract of carriage and defines the terms and conditions of carriage.

Brand Equity

- (a) Potential and/or sustainable value created by a company through years of brand commitment, research, creation, measurement and response action.
- (b) Added value a brand name identity brings to a product or service beyond the functional benefits provided.

Broadband

Generally refers to connections to the Internet with much greater bandwidth than that with a modem. There is no specific definition of the speed of a 'broadband' connection, but, in general, any Internet connection using DSL or via Cable-TV may be considered a broadband connection.

Clusters

An agglomeration or inter-linked or related activities, comprising industries, suppliers, critical supporting services, requisite infrastructure and institutions.

Code of Good Manufacturing Practices

An international set of regulations, codes and guidelines by which drugs/medicinal products, medical devices, diagnostic products, foods and active pharmaceutical ingredients are manufactured.

Common Agricultural Policy

Policy which establishes a system of agricultural subsidies in European Union (EU). These subsidies work by guaranteeing a minimum price to producers and by direct payment of a subsidy for crops planted. This provides some economic certainty for EU farmers and ensuring production of a certain quantity of agricultural goods.

Consumer Price Index

Price index for goods purchased by consumers in an economy, usually based on a small sample of what they consume. Commonly used to measure inflation.

Contingent Protection Measures

Safeguards and anti-dumping measures.

Core Competency

Required knowledge, skill or ability that contributes to successful completion of a task on the job.

Corporate Governance

Ways in which rights and responsibilities are shared between various corporate participants, especially management and shareholders.

Dual-Training System

Training system which involves training in two places : 70-80 per cent of the training takes place at the industry concerned, while 20-30 per cent takes place at the training institute.

E-commerce

Electronic business transactions, commerce or internet trade. May be conducted between companies (B2B) or between companies and customers (B2C) that are wholly or partially conducted over the internet or similar public or private computer networks.

E-learning

Learning environment which utilises a set of ICT applications and processes, such as web-based learning, computer-based learning, virtual classrooms, and digital collaboration.

Electronic Data Interchange

Electronic means of exchange of structured information, by agreed message standards.

E-supply Chain

Component of e-commerce, which encompasses coordination of order generation, order taking and order fulfillment/distribution of products, services and information using internet technologies. Different entities involved from concept to delivery of a product or service are connected in a network with automated flow of information.

Free Zone

A gazetted area where commercial or manufacturing activities meant for export market are permitted to be carried out with minimal Customs formalities, allowing inputs (raw materials or components) and finished products to enter and leave the area free of import duties and taxes.

Generalised System of Preferences

Granting of preferential tariff treatment by an industrialised country on an autonomous basis to products from developing countries.

Government Final Consumption Expenditure

Expenditures, including imputed expenditures, incurred generally by government on both individual consumption goods and services and collective consumption services.

Greenfield Activity

Field, area or activity which has the potential to be exploited and developed by investors.

Gross Domestic Product

Monetary value at market prices of all goods and services produced within a country, but excluding net income from abroad, for a given period (usually a year).

Gross National Product

Total output of an economy, plus net income from abroad, for a given period (usually a year).

Halal

Food and non-food product which has been manufactured or prepared in a manner approved by Islamic tenets.

Human Capital

Workers and professionals with requisite skills and talents available for employment.

Incubation

Period during which an entrepreneur is assisted with necessary facilities and skills acquisition before venturing on his own.

Indigenous Technology

Home grown technology developed through local expertise and resources.

Intellectual Property

Intangible property resulting from inventive activity. Includes patent, trademark and copyright.

Intellectual Property Regime

Laws which allow and protect people to own their ideas and inventions resulting from creativity and innovation in the same way that they can own physical property.

ISO 9000

A set of quality management system standards issued by Organisation for International Standard (a worldwide federation) and used by companies which produce products and services.

Knowledge-based Economy

An economy in which knowledge, creativity and innovation assume an increasingly important role in generating and sustaining growth.

Key Performance Indicators

A set of quantifiable measures that a company or industry uses to gauge or compare performance in terms of meeting their strategic and operational goals.

Knowledge Worker (K-Worker)

There are varying definitions of a knowledge worker. A definition which encompasses a wholistic view of knowledge application includes:

- a symbolic analyst, a worker who manipulates symbols rather than machines. Examples include architect, fashion designer, pharmaceutical researcher, teacher and policy analyst;
- a professional who performs 'knowledge work'; and
- anyone who earns a living by developing or using knowledge.

Multimedia Development Corporation (MDeC) defines a k-worker as an individual possessing either:

- five or more years of professional experience in multimedia/information technology; or
- a university degree (in any discipline) or a graduate diploma (in multimedia/IT) from a technical college, plus two more years of professional experience in multimedia/IT; or
- a master's degree or above in any discipline.

Leading Edge Technology

Technology that is the most advanced available at the time.

Mechatronics

Field of study that combines the fundamentals of mechanical, electrical and computer engineering.

Micro Electromechanical Systems

A technology that embeds mechanical devices, such as sensors, valves, gears, mirrors and actuators in semiconductor chips.

Most-Favoured-Nation

Status accorded by one country to another in international trade. The country conferred the status will be granted all trade advantages (for example, low tariffs) that are given to any third country. In effect, having MFN status means that one's country will not be treated worse than any other country conferred the status.

Mutual Recognition Arrangement

A scheme which provides reliable, quantitative information on the comparability of national standards on products and services. It provides the technical basis for wider agreements negotiated for international trade, commerce and regulatory affairs.

Niche Market

A focused, targetable segment of a market. A producer for a niche market addresses a need for a product or service not addressed by mainstream providers.

Non-Tariff Barrier

Government law, regulation, policy, condition, restriction, or specific requirement, and private sector business practice or prohibition, that protects a domestic industry from foreign competition.

Offshoring

Relocation of in-house business processes (including production/manufacturing) to a lower cost location overseas.

Output

The tangible result of any process by using a combination of factor inputs to produce products or services which meet customers' expectations.

Outsourcing/Business Process Outsourcing

Process of shifting/delegating/transferring a service/process/function previously undertaken in-house to a third party/external service provider. Business process outsourcing is the fastest growing segment in the outsourcing market. It involves outsourcing back office operations and other business processes, such as customer relationship management, customer call centres, telemarketing, payroll maintenance and finance/accounting management.

Pharmaceutical Inspection Cooperation Scheme (PICS)

An international instrument between countries and pharmaceutical inspection authorities, which provides active and constructive cooperation in the field of Good Manufacturing Practice (GMP). PICS aims 'to lead international development, implementation and maintenance of harmonised GMP standards and quality systems of inspectorates in the field of medicinal products'.

Photonics

Control, manipulation, transfer and storage of information using light. It is a technology that supports applications in the areas of imaging, telecommunications, ICT, healthcare and defence.

Preferential tariff

Tariff set at certain percentage between two countries which is more favourable when compared with other countries.

Productivity

Ratio of output generated to the inputs consumed. Output is good or service produced by an enterprise and is measured in terms of value added. Inputs are utilised in producing the output. Productivity refers to the effective utilisation of all inputs, namely labour, capital, materials, energy and other resources (managerial skills).

Productivity Growth

A change in productivity is either expressed as an absolute or relative growth. Absolute growth is the difference in the value of a variable from one period to another, indicating how much productivity has grown. Relative growth is the proportionate change of a variable from one period to another, indicating how fast productivity is growing.

Productivity Linked Wage System

A system which establishes a closer link between wages and productivity. The system ensures that an increase in wages is commensurate with a higher productivity increase, thus enhancing the competitiveness of the firm.

Regional Establishment

An establishment providing intermediate service inputs to the operations of a multinational corporation (MNC) and its affiliates globally. Examples are operational headquarters, international procurement centre, regional distribution centre, and representative and regional office.

Research and Development

A systematic or intensive study undertaken in the field of science or technology, with the objective of using the results of the study for the production or improvement of materials, devices, products, produce or processes.

Resource-based Industry

Industry highly dependent on natural resources.

RosettaNet Standard Messaging System

A business protocol that enables enterprises to overcome the barriers to conduct business over the internet by establishing a global language for e-business.

Second Industrial Master Plan

Plan which provided a framework for the development of a broad-based manufacturing sector for the period 1996-2005.

Small and Medium Enterprise (SME)

An enterprise in the manufacturing, manufacturing related services and agro-based industries with full-time employees not exceeding 150 or annual sales turnover not exceeding RM25 million. In services, primary agriculture and information and communication technology (ICT) sectors, SME is an enterprise with full-time employees not exceeding 50 or annual sales turnover not exceeding RM5 million.

Technology Mapping

Identification of appropriate technologies required over time for growth, development and technological advancement.

Tele-Working

Working at an alternative site (for example, the worker's home) instead of commuting to the traditional site, through the use of telecommunication technologies.

Total Factor Productivity (TFP)

Measures the efficiency with which inputs, in the form of capital, labour, materials or intermediate goods or services, are used in the production process. TFP improvement involves examining ways of increasing output, without a corresponding increase in the quantity of inputs. Such increase in output is through the efficient utilisation of labour and capital. TFP encompasses education and training, technological advancements, improvements in management and efficiency in systems, harmonisation of labour relations, innovations and creativity, and reduction of the costs of doing business.

Value Added

The value that an industry adds to its inputs by using labour and capital.

Value Chain

Range of activities undertaken by an industry group within a region or country in the process of bringing a product from its earliest conception to its final sale.

Venture Capital

Source of financing for a start-up company and new or turnaround venture that involves investment risk, which conventional financial institutions are unwilling to bear, but offers the prospect for above average future profits. Also called 'risk venture'.



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