

Sabah TLAS Audit Report

Sabah Legality Standard Principles 1 – 4

Licensee	Licensee: Albert Tati Bin Ibit & 1 Peserta Contractor: N.Y Enterprise	Reference #	G161-299
Contact Person	Chong Choon Foong (N.Y Enterprise)	Date of Report	16/12/2018
Office Address	N.Y Enterprise: Batu 8, Jalan Sook, Locked Bag 13, SM 27, 89008 Keningau, Sabah.	Date of close out	-
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement	GFS 153 LVS		
Issuance Date	01 January 2019	Expiration Date	31 December 2019

Assessment Details

Assessment Dates	10 – 14 December 2018
Scope of Assessment	TLAS Principles 1 – 4: Form IIB license (Ref.#: JPHTN/FRM 700-2/4/1/604/4 dated 15/11/2018)
Species	<i>Shorea spp.</i> (Red seraya, Yellow seraya, Melapi), <i>Shorea pauciflora</i> (Oba suluk), Lauraceae (Medang), Lithocarpus & Quercus (Mempening), <i>Cratoxylum arborescens</i> (Serungan), <i>Dyera spp.</i> (Jelutong), <i>Koordersiodendron pinnatum</i> (Ranggu).
Lead Assessor	Mohd. Akram Mansur
Assessor(s)	Dayang Hanisah Maidin
FDS Staff	Suib Basri (DFO Tambunan), RH. Sylverinus M.Murin (KPPM Kirokot/Sunsuron), PH. Hyally B.Yahya (PPM Kirokot/Sunsuron)

OBJECTIVES:

- The objective of this checklist is to verify compliance to the Criteria listed in the Sabah Legality Standard as defined by Principles 1 - 4 for Sabah dated 01st January 2015 (**FDS-TLAS-002**).
- Compliance is defined when all applicable criteria are observed to be compliant. A Minor Gap to any indicator does not constitute non-compliance to a criterion. A Major Gap to any applicable indicator does reflect non-compliance to a criterion. Compliance for a criterion where multiple minor gaps are identified in indicators under the criterion may reflect non-compliance to the criterion.
- All issues identified under this standard shall be considered appropriate to the scale and degree of forestry operations undertaken by the parties under the agreement.

Summary Information

Overview of Licensee:

- Sabah has initiated a program for rural development that focuses on the establishment of agriculture crops as well as on developing communities' economic values on titled land, which is managed by an entity. The resulting dividend payments from the agricultural and other community benefits significantly contribute to enhancing the livelihood of the rural population that also participate in agricultural projects, such as rubber and oil palm planting.
- As an initial step of site preparation, the identified agricultural development areas require the harvesting and removal of remaining residual timber stocks. Power of Attorney was granted to N.Y Enterprise that acts as the logging contractor. The parties involved in the management and administration of the licenced area under the auspices of the licensee includes the following:
 - Albert Tati Bin Ibit & 1 Peserta – FIIB permit holder/Developer
 - N.Y Enterprise – Logging contractor
 - Tambunan District Forestry Office (Pejabat Perhutanan Daerah Tambunan: Payment of timber royalties and other fees due to Sabah Forestry Department and Alienated Government Land and Survey Department (Jabatan Tanah dan Ukur Sabah): area survey and delineation, mapping, issue of Community Land Titles.

Project Description:

The project area is located at Kg. Sunsuron in the District of Tambunan, Sabah. Albert Tati Bin Ibit & 1 Peserta possesses a Land Title (NT.143077016 and NT.143042602) with a total area of 5.455 ha. FIIB license was approved by the Chief Conservator of Forests on 05th November 2018 and valid until 14 January 2019 (Ref. #: JPHTN/FRM 700-2/4/1/604/4). Logging operation in the licensed area was completed with a total number of 238 logs measuring 377.35 m³ has been royalty paid and the logs still inside the licensed area.

Environmental Context:

- Forest type and history of management
 - The licensed area is located at Kg. Sunsuron, Tambunan, which surrounded with several villages and small agriculture farms.
- Principal commercial species
 - The project area mainly consists of secondary forest, with common tree species including *Shorea spp.* (Red seraya, Yellow seraya), and other Non-Dipterocarp and pioneer species. Other vegetation within the licensed area includes bamboo, shrubs, palm species, herbs and other secondary vegetation.
- Existing EIA report
 - Neither EIA report nor PMM are required for this native titled land. The area comprises of a total area of 5.455 ha.

Social Context:

Kg. Sunsuron surrounds the licensed area. The licensed area is located adjacent to several small agricultural farms. No evidence of any environmental or social disturbance was reported as a result of the activities conducted in this area.

Scope of Assessment

- The scope of the evaluation is to verify compliance of **Albert Tati Bin Ibit & 1 Peserta** with the Form IIB License located in the district of Tambunan.
- The assessment is in accordance on the terms of the agreement for the “Sabah Legality Standard Principles 1 - 4 dated 01st January 2015 (**FDS-TLAS-002**).

Scope of Assessment

- Site evaluation to verify and report the level of compliance by **Albert Tati Bin Ibit & 1 Peserta** and contractors to the standard in respect to each of the criteria within this report.
- Compliance is defined when the auditee demonstrates that the indicators consist of none or only minor gaps against any applicable criteria of the standard. Non-compliance to the Sabah Legality Standard occurs when the auditee does not demonstrate adequate compliance to a criterion.

Itinerary of Assessment

Date	Activity
10 December 2018 Monday	Travel to Keningau and opening Meeting at PPD Keningau Office.
11 December 2018 Tuesday	Field visit to FIIB Albert Tati Bin Ibit & 1 Peserta at Kg. Sunsuron, Tambunan: Licensed boundary, operation area and stumping. Document review at PPD Tambunan.
12 December 2018 Wednesday	Field visit to FIIB Benjamin Yakod & 1 Peserta at Kg. Sunsuron, Tambunan: Licensed boundary, operation area and stumping. Document review at PPD Tambunan.
13 December 2018 Thursday	Field visit to FIIB Tadi Bin Atot & 1 Peserta at Kg. Molout and Kg. Langkagungan, Tambunan: Licensed boundary, operation area and stumping. Document review at PPD Tambunan.
14 December 2018 Friday	Closing meeting at PPD Keningau and travel to Sandakan.

Highlights of Assessment

(Major Gaps = 0; Minor Gaps = 0; Observations = 0)

Albert Tati Bin Ibit & 1 Peserta has complied with the Sabah Legality Standard (**FDS-TLAS-002**) as no non-compliance was identified during the assessment on 10 – 14 December 2018.

Summary of status of operations by **Principle**:

Principle 1.

Albert Tati Bin Ibit & 1 Peserta has a titled land grant with the total area of 5.455 ha and the Form IIB License approved by the Chief Conservator of Forests (Ref.#: JPHTN/FRM 700-2/4/1/604/4 dated 15/11/2018).

The project area is less than 100 ha (5.455 ha). The land developer is not required to conduct an environmental impact assessment (EIA / PPM), FMP, PDP or AWP submission.

Principle 2.

15 logs sampled during the assessments have been a royalty paid and registered in the TDP. Physical marking observed on the logs such as serial number, property hammer mark, FDS Inspection hammer mark and FDS Royalty hammer mark. All logs still located inside the licensed area. The licensee appointed N.Y Enterprise to extract and remove timber from the licensed area.

Principle 3.

Record of payments for Form IIB permit, royalty payment and removal pass fees and other associated fees was available and maintained during the assessment.

Highlights of Assessment

Principle 4.

The licensed area is surrounded by village of Kg. Sunsuron, Tambunan. This area is located adjacent to several small agricultural farms. No evidence of any environmental or social disturbance has been reported as result of the activities conducted in this area.

Results:

(Compliance = 10; Non-Compliance = 0)

Gap raised against indicators & criteria during the December 2018 assessment.

GAP	Type	Checklist	Description
-	-	-	-

Status of previous outstanding Gaps.

GAP	Type	Checklist	Status	Description of Close Out
-	-	-	-	-

Highlights of Close Out Visit (if applicable)	Dates
Not applicable	-

Recommendations

Albert Tati Bin Ibit & 1 Peserta has demonstrated compliance with the Sabah Legality Standard (**FDS-TLAS-002**) for its designated area and is recommended to receive a GFS Audit Statement and STCC from FDS.

As the titled land grant area of 5.455 ha has been harvested there is no schedule for the next surveillance visit.

End of Summary Report