

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Bersatu Andal Sdn. Bhd. (513314-M)	Reference #	G162-458a
Contact Person	Samsiwati Patiroi (Clerk)	Audit Date	09/08/2018
Office Address	P.O.Box No. 62423, 91034 Tawau, Sabah, Malaysia.	Date close out	11/01/2019
Mill Address	Shed No. 51B, 45 & 46 H.S. Timber Complex, Batu 3 ½, Jalan Tanjung Batu Laut, Tawau, Sabah, Malaysia.	Telephone	+6016 826 6345
Email	bersatu5568@gmail.com	Fax	NA
		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	GFS 129 WTP		
Issuance Date	12 January 2019	Expiration Date	31 August 2019

Assessment Details

Company Type	Sawmill and Moulding Plant
Scope of Assessment	Bersatu Andal Sdn. Bhd.
Product Group	Sawn timber and moulded timber
Source of Material	Sabah, Malaysia.
Species	<i>Drybalanops spp.</i> (Kapur), <i>Dipterocarp spp.</i> (Keruing), <i>Shorea inappendiculata</i> (Selangan batu), <i>Shorea spp.</i> (Red seraya, Yellow seraya, Melapi), <i>Shorea pauciflora</i> (Oba suluk), <i>Eusideroxylon zwageri</i> (Belian), <i>Tectona grandis</i> (Jati).
Lead Assessor	Dayang Hanisah Binti Maidin
Assessor(s)	Mohd. Akram Mansur
FDS Staff	Supriyana Makana (ADFO Tawau) and PH M. Azhar Ismail (PPM Tanjung Batu).

Terms of Assessment

The scope of the evaluation is to verify compliance of the Bersatu Andal Sdn. Bhd. to the criteria within the Sabah Timber Legality Assurance System (TLAS) Principle 5 - Mill Operations and Principle 6 - Trade and Customs standards. Compliance is defined when the organization demonstrates that there is no non-compliance to any applicable criteria. Non-compliance to the Sabah Legality Standard occurs when the organization does not comply with 1 or more criteria. Non-compliance must be formally addressed prior to certification or within 2 months following a surveillance assessment.

Limitations of Assessment

The information presented in this report is based on documentation and other information presented by the client and observations made during the field verification under the assessment. Auditor's reporting of information presented by the client are taken as accurate, unless evaluated differently through the observations made during the assessment. All information presented in the report is accurate and complete to the best of knowledge of GFS.

Background Information:

Bersatu Andal Sdn. Bhd. (**Bersatu Andal**) is registered in Kuala Lumpur, Malaysia with registration # 513314-M. The licensee currently only provides sawmilling and moulding service to others.

The previous assessment was conducted in September 2017 that resulted in 0 gap and 0 observation (report #: G162-336a).

Associated Organizations & Subcontractors:

Bersatu Andal does not engage other companies as their subcontractors to provide or manufacture products.

Description of the Supply Chain:

From August 2017 to June 2018, Bersatu Andal received raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	FDS TLAS-CC # (Expiry Date)	GFS Audit Statement # (Expiry Date)
Unikarya Trading Sdn. Bhd.	JP(T)TW003/15(X04)	Square logs	Tawau	FDS(SCS)068/2018 (30/06/19)	GFS 190 WTP (30/06/19)
Mastergroup Enterprise Sdn. Bhd.	JP(T)TW001/00(X37)R	Sawn timber	Tawau	FDS(SCS)024/2018 (31/10/18)	GFS 153 WTP (31/10/18)
Sabah Softwood (Contractor: SS Stevedoring Enterprise)	JPHTN/FRM-2/4/1/530/2	Square logs	Kalabakan	-	-
Maju Mapan Trading Sdn. Bhd.	JP(T) TW005/10(X040	Sawn timber/ square logs	Tawau	FDS(SCS)020/2018 (30/09/18)	GFS 130 WTP (30/09/18)
Comsa Properties Sdn. Bhd.	JPHTN/FRM: 700-2/4/1/328/18	Round logs	Tawau	-	-
Asia Trade Industries	JHPTN/KKH 700-2/4/1/JILID.3(26)	Round logs	Lahad Datu	-	-
FELDA (FGV) (Golden Million Land Sdn. Bhd.)	JHPTN/KKH 700-3/7/JILID.11(163)	Square logs	Lahad Datu	-	-
Putra Niaga Sdn. Bhd.	JPHTN/FRM: 700-2/4/1/442/13	Square logs	Tawau	-	-

Summary Results:

(Major gap = 3, Minor gap = 1, Observation = 0)

January 2019 (Major gap = 0, Minor gap = 1, Observation = 0)

GAPs:			
GAP #	Type	Checklist	Description
009/2018	Minor	5.3.2 5.3.7	No Safety and Health Training were conducted from August 2017 to date.

*Major = Non-Compliance

Status of Outstanding GAPs:				
GAP #	Type	Checklist	Status	Description
006/2018	Major	5.1.2	Closed	August 2018: Total volume of round logs received in arrival book did not correspond with total volume recorded in Appendix 1 for December 2017 and January 2018.

				<p>January 2019: The licensee has submitted the amendments of Appendix 1 for December 2017 and January 2018 to Economy, Industry & Statistic Division of FDS headquarters via Tawau district Forestry office. <i>(Based on the verification by the FLEGT Unit of SFM division (Ref. #: JPHTN/SFM (FLEGT) 800-1/7/8/2/108) dated 11th January 2019.)</i></p>
007/2018	Major	5.2.5	Closed	<p>August 2018: WIP materials sampled at sawmill section were not identified with batch # and unable to trace back to its origin.</p> <p>January 2019: All WIP materials have been marked with batch number as required by Sabah TLAS standard. <i>(Based on the verification by the FLEGT Unit of SFM division (Ref. #: JPHTN/SFM (FLEGT) 800-1/7/8/2/108) dated 11th January 2019.)</i></p>
008/2018	Major	5.3.1	Closed	<p>August 2018: 4 out of 5 foreign workers are not covered under the Foreign Workers Compensation Scheme as the policy insurance expired since 09th November 2017.</p> <p>January 2019: All 4 sampled foreign workers have resigned from the company. <i>(Based on the verification by the FLEGT Unit of SFM division (Ref. #: JPHTN/SFM (FLEGT) 800-1/7/8/2/108) dated 11th January 2019.)</i></p>

Observations:

OBS #	Checklist #	Description
-	-	-

Highlights of Close-Out Visit (if applicable)

Date: 11 January 2019

Gap 006/2018, 007/2018 and 008/2018 (Major) is now closed based on the verification by the FLEGT Unit of SFM division (Ref. #: JPHTN/SFM (FLEGT) 800-1/7/8/2/108) dated 11th January 2019.

Recommendations

Bersatu Andal Sdn. Bhd. has demonstrated compliance to the Sabah Standard Principles 5-6 for Chain of Custody following close out of Gaps 006/2018; 007/2018 & 008/2018 thus and is now recommended to receive a GFS Audit Statement and Sabah Timber Legality Assurance System Compliance Certificate (TLAS-CC) by FDS.

Gaps/observations identified in this assessment should be addressed before the next surveillance visit. Action required to close the gaps/observations include:

GAP 009/2018 (Minor) - Checklist 5.3.2, 5.3.7: The licensee shall provide training in regards to workers Safety & Health and fire precaution & protection.

The next surveillance visit is scheduled in July 2019.

End of Summary Report