

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Bersatu Andal Sdn. Bhd. (513314-M)	Reference #	GFSSBH 004-083
Contact Person	Samsiwati Patiroi (Clerk)	Assessment Date	08/08/2019
Office Address	P.O.Box No. 62423, 91034 Tawau, Sabah, Malaysia.	Date close out	-
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 #	NA: Non Conformance - Checklist 5.2.5, 5.2.7		
Issuance Date	-	Expiration Date	-

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>Parashorea spp.</i> (White seraya), <i>Shorea spp.</i> (Red seraya, Yellow seraya, Melapi), <i>Heritiera simplicifolia</i> (Kembang), <i>Scaphium spp.</i> (Kembang semangkuk), <i>Shorea pauciflora</i> (Oba suluk), <i>Neolamarckia cadamba</i> (Laran), <i>Duabanga moluccana</i> (Magas), <i>Alstonia spp.</i> (Pulai), <i>Annonaceae spp.</i> (Karai), Lauraceae (Medang), <i>Hopea sangal</i> (Gagil), <i>Eusideroxylon zwageri</i> (Belian), <i>Tektona Grandis</i> (Teak), <i>Dialium indum</i> (KerANJI), <i>Annonaceae</i> (Pisang-pisang), <i>Azadirachta excels</i> (Bawang-bawang), <i>Tamarindus indica</i> (Assam)
Lead Assessor	Lai Jia Woei
Assessor(s)	Siti Radiah Mohamad, Mohd. Akram Mansur, Walter Marcus
FDS Staff	PH Abd. Suhaimi Abd. Manap (PPM Tg. Batu Apas Balung)

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. Currently, the company only provides sawmilling and moulding service to clients.

The previous assessment was conducted in August 2018 that resulted in 1 gap(s) and 0 observation(s) (report #: G162-458a).

Associated Organizations & Subcontractors:

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

Description of the Supply Chain:

From July 2018 to June 2019, 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)
Zillion Fortune Sdn. Bhd.	SFMLA 04/2014: TWU 02/15	Round logs	Serudong	FDS(SLS)011/2018 (31/03/2019)*	GFS 095 LVS (31/03/2020)
Caslink Sdn. Bhd.	JP(T)TW001/17(X49)	Plantation logs (Teak)	Tawau	Non compliance	Non-compliance
SGI Powerhouse Felda FGV	F2B 803722	Residual logs (Belian)	Lahad Datu	-	-
Rakyat Berjaya Sdn. Bhd. (Hasil Bagus Sdn. Bhd.)	SFMLA 09/97: SDK 08/14	Round logs	Kuamut	FDS(SLS)049/2017 (31/10/2018)	GFS 091 LVS (31/10/2018)
Fook Ngiap Sawmill Sdn. Bhd.	JP(T)TW002/00(X17)R (SFMLA 09/97: TWU 03/08)	Round logs	Kuamut	FDS(SCS)072/2018 (05/07/2019)*	GFS 115 WTP (31/07/2020)
Fook Ngiap Sawmill Sdn. Bhd. (Bountiful Return Sdn. Bhd.)	JP(T)TW002/00(X17)R FDS log auction	Round logs	Tawau	-	-
Juinanah & B. Mangka 2 Peserta	JPHTN/ FRM 700-2/4/1/941 (55)	Round logs	Nabawan	-	-
Sabah Softwood Berhad (SS Stevedoring Sdn. Bhd.)	JPHTN/ FRM 700-2/4/1/530/ 11	Residual logs (Belian)	Tawau	-	-
Sulabayan Mukzai	JP(T)TW003/09(X04)	Sawn timber	Tawau	-	-
Sangkal Makmur Sdn. Bhd.	JP(T)TW001/14(X20)	Sawn timber	Tawau	FDS(SCS)105/2018 (31/10/2019)	GFS 152 WTP (31/10/2019)

Note: * FDS to update their website.

Summary Results:

(Major gap = 2, Minor gap = 1, Observation = 1)

GAPs:					
GAP #	Type	Checklist	Status	Description	
009/2018	Minor	5.3.2 5.3.7	Closed	August 2018: No Safety and Health Training were conducted from August 2017 to date. August 2019: Safety and health trainings were conducted in 2019.	
010/2019	Minor	5.1.2	New	The company did not record the arrival of 2.662 m ³ plantation logs (Teak) from Caslink Sdn. Bhd. for April 2019 in Appendix 1 Logs Supply.	

011/2019	Major	5.2.5	New	Only one batch of log arrival in May 2019 was assigned with batch number 19-05/001 (Rakyat Berjaya Sdn. Bhd. SFMLA 09/97: SDK 08/14; 231 logs; 1,434.97 m ³) throughout July 2018 to June 2019. It was also observed that batch numbers were changed during production system and not according to log batch received as per the CoC procedures.
012/2019	Major	5.2.7	New	The monthly batch number was not identified for all finished goods in stock as per CoC procedures. The CoC production system was not being implemented throughout July 2018 to June 2019 except for batch 19-05/001 which is currently in production. 2 bundles of finished goods sampled did not have any batch number and Sabah TLAS status on the production tally sheets. Logs sourced were from Unikarya Trading Sdn. Bhd. to Bersatu Andal for sawmilling service.

*Major = Non-Compliance

Obs #	Checklist	Description
001-2019	5.3.8	No emergency evacuation route and fire extinguisher location plan displayed in the mill.

Highlights of Close-Out Visit (if applicable)	Date: -
The Major Gaps; 011/2019 & 012/2019 shall be addressed within two months by October 2019.	

Recommendations
<p>Bersatu Andal Sdn. Bhd. has not demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody as non-compliance was identified in Checklist 5.2.5 & 5.2.7 and is NOT eligible to receive a GFS Audit Statement and STCC from FDS.</p> <p>The Major Gaps shall be addressed within two months by October 2019.</p> <p>Gap 011/2019 (Major) – Checklist 5.2.5: Sabah TLAS batch number shall be assigned upon the arrival of raw material and consistently maintained for traceability in accordance with the CoC procedure. All WIP material shall be identified with Sabah TLAS batch number throughout the production line.</p> <p>Gap 012/2019 (Major) – Checklist 5.2.7: To assign batch number on the finished goods and production tally sheets in accordance with the CoC procedure.</p> <p>Gap(s)/Observation(s) identified in this assessment should be addressed before the next surveillance visit. Actions required to close the gap(s) and observation(s) include:</p> <p>Gap 010/2019 (Minor) – Checklist 5.1.2: Log supply record stated in Appendix 1 for April 2019 needs to be revised in accordance with the volume recorded Log Arrival Book and submitted to FDS for record.</p> <p>Observation 001-2019 – Checklist 5.3.8: Develop an emergency evacuation route based on the mill layout and erect fire extinguisher indicator signage.</p> <p>The next surveillance visit is scheduled in June 2020.</p>

End of Summary Report