

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Evasetia Sdn. Bhd. (903195-A)	Reference #	GFSSBH 004-101
Contact Person	Wong Nyuk Lee (Director)	Assessment Date	25/09/2019
Office Address	P.O.Box 62329, 91033 Tawau, Sabah, Malaysia.	Date close out	-
Mill Address	Shed No. 64 & 65, Hap Seng Timber Complex, Tawau, Sabah, Malaysia.	Telephone	+6089 920 168 +6010 900 2168
Email	evasetia.sb@gmail.com	Fax	+6089 923 168
		Approved By	Dr. Kevin T. Grace

Statements

Audit Statement #	GFS 154 WTP		
Issuance Date	01 October 2019	Expiration Date	30 September 2020

Assessment Details

Company Type	Moulding, Furniture and densified wood.
Scope of Assessment	Evasetia Sdn. Bhd.
Product Group	S4S, Solid Door, Plywood Door, Door Frame and Densified wood.
Source of Material	Sabah, Malaysia.
Species	<i>Dryobalanops spp.</i> (Kapur), <i>Dipterocarpus spp.</i> (Keruing), <i>Parashorea spp.</i> (White seraya) and <i>Shorea spp.</i> (Red seraya, Yellow seraya)
Lead Assessor	Siti Radiah Mohamad
Assessor(s)	Cynthia Debbie John
FDS Staff	PH Faizan Mohamad (PPM Tanjung Batu)

Terms of Assessment

The scope of the evaluation is to verify compliance of the Evasetia 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:

Hap Seng Property Investment Sdn. Bhd. (Hap Seng Property Investment) is registered in Kuala Lumpur, Malaysia with registration # 183641-A. Hap Seng rented their premises (Shed 38A and Shed 39A) to Evasetia Sdn. Bhd. through tenancy agreement.

Evasetia Sdn. Bhd. (Evasetia) is registered in Kuala Lumpur, Malaysia with registration # 903195-A. The company produces and trades solid doors and frames for local market, whereas finger-jointed products and densified woods are exported to Taiwan.

The previous assessment was conducted in September 2018 that resulted in 0 gap(s) or 0 observation(s) (report #: G162-481).

Associated Organizations & Subcontractors:

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

Description of the Supply Chain:

From September 2018 to August 2019, Evasetia purchased raw materials from suppliers as below:

Supplier	License	Raw Material	Location	FDS TLAS-CC (Expiry Date)	GFS Audit Statement # (Expiry Date)
Sangkil Makmur Sdn. Bhd.	JP(T)TW001/14(X20)	Sawn timber	Tawau	FDS(SCS)105/2018 (31/10/2019)	GFS 152 WTP (31/10/2019)
Irama Ramai Sdn. Bhd. (Uni-lumber Sdn. Bhd.)	JP (N) KG001/12(X04)	Sawn timber	Keningau	FDS(SCS)003/2019 (31/03/2020)	GFS 110 WTP (31/03/2020)
Sherwood Timber Processing Sdn. Bhd.	JP(T)TW004/00(X02)R	Sawn timber	Tawau	FDS(SCS)006/2018 (31/01/2019)*	GFS 042 WTP (31/04/2020)
Unikarya Trading Sdn. Bhd.	JP(T)TW003/15(X04)	Sawn timber	Tawau	FDS(SCS)068/2018 (30/06/2019)*	GFS 190 WTP (30/06/2020)
Yung Seng Enterprise	PG/SDK 01/2017	Plywood	Sandakan	Hardware	Hardware
C & H Enterprise Sdn. Bhd.	PG/SDK 03/2011	Plywood	Sandakan	*	GFS 235 WTP (31/05/2020)
Gold Rank Sdn. Bhd.	JP (T) TW001/10(X04)	Sawn timber	Tawau	FDS(SCS)006/2018 (31/03/2020)	GFS 010 WTP (31/03/2020)
CHK Enterprise Sdn. Bhd.	PG/ SDK 02/ 2017	Sawn timber	Sandakan	*	GFS 234 WTP (31/05/2020)

Note: * FDS to update their official website.

Summary Results:

25th September 2019 (Major gap = 3, Minor gap = 1, Observation = 0)

29th September 2019 (Major gap = 0, Minor gap = 0, Observation = 0)

GAPs:					
GAP #	Type	Checklist	Status	Description	
006/2019	Major	5.1.2	Closed	<p>25 September 2019: The calculation of carried forward stock stated in the Appendix 7 from February 2019 to August 2019 are incorrect.</p> <p>September 2019: Evasetia had submitted the amendment of Appendix 7 from February 2019 to August 2019 to FDS Tawau District on 25 September 2019.</p>	
007/2019	Major	5.2.4	Closed	<p>25 September 2019: The CoC procedure used in 2018 was no longer available or used in the production system since</p>	

				<p>the fire incident in March 2019 whereby production codes were used that were not traceable to suppliers or removal passes. Currently, Evasetia has no documented COC procedure for wood traceability as required by Sabah TLAS Standards</p> <p>29 September 2019: Evasetia has re-established a COC procedure as required by Sabah TLAS Standard based on a monthly batch system.</p>
008/2019	Major	5.2.5 5.2.7	Closed	<p>25 September 2019: WIP (work in progress) materials and finished products were identified to the batch number based on process codes that were not traceable to its production and its origin.</p> <p>29 September 2019: WIP (work in progress) materials were identified to the batch number and traceable to its production and its origin based on removal pass number. The production unit is determined based on monthly arrival (based on previous COC code system). Evasetia is now implementing the revised COC procedure in its production line.</p>
009/2019	Minor	5.3.8	Closed	<p>25 September 2019: A mill floor plan, which indicates the evacuation routes of each production section during emergency case, is not displayed inside the mill. Assembly point signage has yet to be posted. Lack of safety signage posted in the mill. Only "No Smoking" signage currently observed. No fire extinguisher equipped in the storage area designated for receiving of raw material. Fire extinguishers only available in the mill operation area and valid until 2 May 2020.</p> <p>29 September 2019: Evasetia developed an emergency evacuation floor plan and displayed inside the mill for reference. Emergency exit and assembly point are clearly identified with signboards. Adequate and suitable safety signage (i.e. <i>Utamakan Keselamatan</i>, PPE usage, and forklift pathway) are posted in the mill. Additional fire extinguishers (valid until 2nd May 2020) are equipped at the storage area.</p>

*Major = Non-Compliance

Obs #	Checklist	Description
-	-	-

Highlights of Close-Out Visit (if applicable)	Date: 29th September 2019
<p>Gap 006/2019 (Major) - Checklist 5.1.2: Evasetia had submitted the amendment of Appendix 7 from February 2019 to August 2019 to FDS Tawau District on 25 September 2019.</p> <p>Gap 007/2019 (Major) - Checklist 5.2.4: Evasetia has established a COC procedure as required by Sabah TLAS Standards based on a monthly production unit.</p>	

Gap 008/2019 (Major) - Checklist 5.2.5; 5.2.7: WIP (work in progress) materials were identified to the batch number and traceable to its production and its origin based on removal pass number. The production unit is determined based on monthly arrival (based on previous COC code system). Evasetia is now implementing the revised COC procedure in its production line.

Recommendations

Evasetia Sdn. Bhd. has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody as major gaps identified in criteria 5.1.2, 5.2.4, 5.2.5, and 5.2.7 have been rectified and is now recommended to receive a GFS Audit Statement and STCC from FDS.

The next surveillance visit is scheduled in July 2020

End of Summary Report