

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Akil Jutamas Sdn. Bhd. (795494-U)	Reference #	G162-465
Contact Person	Tan Kiew Min (Mill's Manager)	Audit Date	23/08/2018
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	GFS 125 WTP		
Issuance Date	01 September 2018	Expiration Date	31 August 2019

Assessment Details

Company Type	Sawmill, Kiln Dry Plant and Wood Preservation Plant
Scope of Assessment	Akil Jutamas Sdn. Bhd.
Product Group	Kiln Dried Sawn timber (Rubberwood)
Source of Material	Sabah, Malaysia.
Species	<i>Hevea brasiliensis</i> (Rubberwood)
Lead Assessor	Cynthia D. John
Assessor(s)	Priera Bagang
FDS Staff	Alexander Geivasius (ADFO Beaufort), Justin Lohuji (MCEE KK), RH Ag. Zaini Ajibrahim (MCEE KK), RH Raup @ Jaffar Ahmad (KPPM Beaufort / Kuala Penyu), Abd. Rahman Jari (PPM Beaufort / Kuala Penyu)

Terms of Assessment

The scope of the evaluation is to verify compliance of the Akil Jutamas 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:

Akil Jutamas Sdn. Bhd. (**Akil Jutamas**) is registered in Sabah, Malaysia with the registration number of 795494-U. The company produces sawn timber, which sold to its local (including Peninsular Malaysia) and overseas customer in Taiwan and China.

The previous assessment was conducted in August 2017 that resulted in 3 gaps and 1 observation (report #: G162-332).

Associated Organizations & Subcontractors:

Akil Jutamas conducts its own product manufacturing operations and does not engage any subcontractors.

Description of the Supply Chain:

From August 2017 to July 2018, Akil Jutamas purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	FDS TLAS-CC (Expiry Date)	GFS Audit Statement # (Expiry Date)
Sapitah B. Sutim	JPHTN/KKH 700-3/3/3/JLD 2 (25)	Rubber wood	Beaufort	-	-
Tajim B. Datok	JPHTN/KGU 700-2/5/2/JLD 13/36	Rubber wood	Keningau	-	-
Sababriliant Sdn. Bhd.	JPHTN/TNM 700-2/5/9/JLD 1 (7)	Rubber wood	Tenom	-	-
Maria Bt. Asibul	JPHTN/KKH 700-3/3/3/JLD 8 (6)	Rubber wood	Sipitang	-	-
Jokung B. Majalim	JPHTN/KGU 700-2/5/2/JLD 14/22	Rubber wood	Keningau	-	-
Lembaga Industri Getah	JPHTN/KKH 700-3/3/JLD 7 (66)	Rubber wood	Tenom	-	-
Ligs	JPHTN/KKH 700-3/3/JLD (66)	Rubber wood	Tenom	-	-
Welfred B. Lumau	JPHTN/KGU 700-2/5/2/JLD 13/18	Rubber wood	Keningau	-	-
CCL Contractor	JPHTN/PP 700-2/4/1/JLD 345/5	Rubber wood	Tenom	-	-
Bian Enterprise	JPHTN/KKH 700-3/3/3/JLD 7 (66)	Rubber wood	Tenom	-	-
Alexlus Nain	JPHTN/KGU 700-2/5/2/JLD 15/26	Rubber wood	Keningau	-	-
Richard Peter Bixter	JPHTN/KKH 700-3/3/3/JLD 2 (29)	Rubber wood	Tenom	-	-
Ramping @ Amping	JPHTN/KGU 700-2/5/2/JLD 6/36	Rubber wood	Keningau	-	-
Sarim B. Rahim	JPHTN/KGU 700-2/5/2/JLD 17/8	Rubber wood	Keningau	-	-
Bius B. Banau	JPHTN/KKH 700-2/5/2/JLD 17/29	Rubber wood	Keningau	-	-
Hustinah @ Eastern	JPHTN/KGU 700-2/5/2/JLD 17/31	Rubber wood	Keningau	-	-
Yong Tsen Ching	JPHTN/TNM 700-2/5/1/JLD 13 (24)	Rubber wood	Tenom	-	-
Gimbong B. Madnan	JPHTN/KGU 700-2/5/2/JLD 18/26	Rubber wood	Keningau	-	-
Catherine Edward	JPHTN/PP 700-3/3/3/JLD 14/83	Rubber wood	Beaufort	-	-
Taip B. Mukijil	JPHTN/KGU 700-2/5/2/JLD 18 (61)	Rubber wood	Keningau	-	-
Bujil B. Kundang	JPHTN/KGU 700-2/5/2/JLD 18 (47)	Rubber wood	Keningau	-	-
Gimbong B. Maduan	JPHTN/KGU 700-2/5/2/JLD 18/26	Rubber wood	Keningau	-	-
Lamat B. Kundangau	JPHTN/KKH 700-3/3/3/JKL/N 23	Rubber wood	Sipitang	-	-

Losuin Bt. Linggon	JPHTN/KKH 3/3/3/JKL15 (31)	700-	Rubber wood	Sipitang	-	-
Jovita @ Jaiti Daloi	JPHTN/KGU 2/5/2/JLD 19/10	700-	Rubber wood	Keningau	-	-
Laspol B. Janggun	JPHTN/KKH 3/3/3/JLD 16 (66)	700-	Rubber wood	Sipitang	-	-
Rahman B. Mohadin	JPHTN/KGU 2/5/2/JLD 18/51	700-	Rubber wood	Keningau	-	-
Maidis B. Ladumin	JPHTN/KGU 2/5/2/JLD 20 (12)	700-	Rubber wood	Keningau	-	-
Gutalib B. Gampi	JPHTN/KGU 2/5/2/JLD 20/38	700-	Rubber wood	Keningau	-	-
Mohd. Sarif Sating	JPHTN/KGU 2/5/2/JLD 2/36	700-	Rubber wood	Keningau	-	-
Wadini Bt. Rotinim	JPHTN/KKH 3/3/3/JLD 18 (56)	700-	Rubber wood	Sipitang	-	-
Ekip B. Subiu	JPHTN/KGU 2/5/2/JLD 20/38	700-	Rubber wood	Sipitang	-	-
Saihi B. Galihung	JPHTN/KGU 2/5/2/JLD 20/13	700-	Rubber wood	Keningau	-	-
Giah B. Tongon	JPHTN/KKH 3/3/3/JLD 12 (29)	700-	Rubber wood	Sipitang	-	-
Ambuh @ Mohd. Tahir	JPHTN/KKH 3/3/3/JLD 18-58	700-	Rubber wood	Sipitang	-	-
Md. Effendi Abdullah	JPHTN/KKH 3/3/3/JLD 18-68	700-	Rubber wood	Sipitang	-	-
Anip B. Ismail	JPHTN/KKH 2/5/2/JLD 21-22	700-	Rubber wood	Sipitang	-	-
Lee Yun Penggoh	JPHTN/KKH 2/5/2/JLD 21-4	700-	Rubber wood	Sipitang	-	-
Agang B. Sagintir	JPHTN/KKH 700-3/3/3 JLD 19-16		Rubber wood	Sipitang	-	-
Jui B. Okolong	JPHTN/KGU 2/5/2/JLD 22-30	700-	Rubber wood	Keningau	-	-
Gausi Martin B. Suan	JPHTN/KGU 2/5/2/JLD 22/66	700-	Rubber wood	Keningau	-	-
Nichlas B. Ranggam	JPHTN/KKH 700-3/3/3 JLD 21 (2)		Rubber wood	Sipitang	-	-

Summary Results:

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

GAPs:

GAP #	Type	Checklist	Description
-	-	-	-

*Major = Non-Compliance

Status of Outstanding GAPs:

GAP #	Type	Checklist	Status	Description
006/2017	Minor	5.1.2 5.2.6	Closed	<p>24th August 2017: The total kiln dried material volume for each month from August 2016 to July 2017 was not stated in the Appendix 11. The total monthly plantation log supply (from February to July 2017) submitted through the Appendix 1, did not match with the total monthly plantation log supply that recorded in the Log Arrival Book.</p> <p>23rd August 2018: The total kiln dried material volume for each month from August 2017 to July 2018 was</p>

				specified accordingly in the Appendix 11. The total monthly plantation log supply from August 2017 to July 2018 submitted through the Appendix 1, correspond with the total monthly plantation log supply recorded in the Log Arrival Book.
007/2017	Minor	5.2.4 5.2.5 5.2.7	Closed	<p>24th August 2017: Akil Jutamas has yet to implement a Standard Operating Procedure which provides traceability between Sabah TLAS raw material and final timber products as required under the standard starting September 2016. At present, wood products produced by Akil Jutamas were not traceable to the raw material of origin. All raw material originates from Sabah suppliers that are monitored for compliance to Sabah TLAS Principles 1-4.</p> <p>23rd August 2018: Akil Jutamas has a documented CoC procedure that implemented in their trading system. The traceability was based on Monthly arrival batch number (e.g. 08/18, which defined '08' is the month of arrival logs, whereas '18' is the year of arrival. WIP (loose bundle) and finished goods were identified to with the Batch # and traceable to its production line and supplier.</p>
008/2017	Minor	5.3.1	Closed	<p>24th August 2017: It was observed that the license to hire foreign workers expired on 28th April 2017. According to Akil Jutamas, the Company is in the process of renewing the expired license through an agent. However, the application letter to renew the license was not made available during the document review.</p> <p>23rd August 2018: Akil Jutamas presented active license to hire 4 foreign workers (2 Indonesians, 2 Peninsular Malaysian) during the document review. The license number is JTK.H.BFT.600-4/1/01115/2037 valid until 26th October 2019.</p>

Observations:

OBS #	Checklist #	Description
-	-	-

Highlights of Close-Out Visit (if applicable)

Date

Not Applicable

Recommendations

Akil Jutamas Sdn. Bhd. has demonstrated compliance to the Sabah Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Audit Statement and Sabah Timber Legality Assurance System Compliance Certificate (TLAS-CC) by FDS.

The next surveillance visit is scheduled in July 2019.

End of Summary Report