

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Borimex Sdn. Bhd. (156612-W)	Reference #	GFSSBH 004-094
Contact Person	Young Liu TY @ Liu Tze Young (Director)	Assessment Date	28/08/2019
Office Address	Taman Bornion, No.34, Lorong Lengkuas 3, 88300, Damai, Kota Kinabalu, Sabah.	Date close out	-
Mill Address	NA	Telephone	+6088 223 974
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	NA: Non-Compliance - Criterion 5.2 and 6.1		
Issuance Date	NA	Expiration Date	NA

Assessment Details

Company Type	Timber exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(E)018/2019
Product Group	Sawn timber & Moulding (finger joint)
Source of Material	Sabah, Malaysia.
Species	Mixed species of sawn timber & moulding (finger joint)
Lead Assessor	Priera Bagang
Assessor(s)	Christoph Muziol, Cynthia D. John
FDS Staff	RH Jasnie bin Rafiee (PPM Kota Kinabalu)

Terms of Assessment

The scope of the evaluation is to verify compliance of the Borimex 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. 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:

Borimex Sdn. Bhd. (Borimex) is located in Kota Kinabalu, Sabah, Malaysia, with registration # 156612-W, and was established on 08 October 1986. The company purchases finished goods from a local mill and exports mainly to Hong Kong, Taiwan and Australia.

This is the initial assessment for Borimex Sdn Bhd, no assessment was conducted in 2018.

Associated Organizations & Subcontractors:

Borimex does not engage other subcontractor to support the trading activities.

Description of the Supply Chain:

From January to July 2019, Borimex purchased timber products from the suppliers listed below:

Supplier	License	Raw Material	Location	FDS TLAS-CC (Validity)	GFS Audit Statement # (Validity)
Lusera Sdn. Bhd.	JP(K)KK 001/09 (X39) JP(K)KK 002/09 (X22) JP(K)KK 001/02 (X26)	Sawn timber & Moulding	Kota Kinabalu	FDS(SCS)078/2018 (31/07/2019)*	GFS 114 WTP (31/07/2019)*

Note* - Material purchased prior to 31 July 2019 is eligible to be classified as Sabah TLAS.

Summary Results:

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

GAPs:				
GAP #	Type	Checklist	Status	Description
001/2019	Major	5.2.4	New	August 2019: No evidence that the company has established a Chain of Custody manual to document the system for identification and traceability of Sabah TLAS timber products
002/2019	Major	5.2.7	New	August 2019: No evidence of identification and traceability of timber products classified as Sabah TLAS that were purchased and exported.
003/2019	Major	6.1.1	New	August 2019: No evidence that Borimex is registered as a "Supplier" to the FDS.

*Major = Non-Compliance

Obs #	Checklist	Description
-	-	-

Highlights of Close-Out Visit (if applicable)	Date -
Major Gaps 001/2019, 002/2019 and 003/2019 shall be addressed within two months by October 2019.	

Recommendations

Borimex Sdn. Bhd. has not demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody as non-compliance was identified in criterion 5.2 & 6.1 and is NOT eligible to receive a GFS Audit Statement and STCC from FDS.

Major Gaps shall be addressed within two months by **October 2019**.

Gap 001/2019 (Major) – Checklist 5.2.4: To establish a Chain of Custody procedure for identification and traceability of timber products in their trading system.

Gap 002/2019 (Major) – Checklist 5.2.7: Ensure the company documents the origin of timber products purchased and sold that includes Sabah TLAS status.

Gap 003/2019 (Major) – Checklist 6.1.1: Register as timber “Supplier” with the FDS.

The next surveillance visit is scheduled for June 2020.

End of Summary Report