

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Mill: Havisual Sawmill Sdn. Bhd. (408640-V) Tenant: Goodvision Trading Sdn. Bhd. (811799-X)	Reference #	GFSSBH 004-046
Contact Person	Fong Hen Vun (Sawmill Manager)	Assessment Date	16/05/2019
Office Address	Mile 8, PPM Bandar Sibuga Jaya II M888, 90000 Sandakan, Sabah, Malaysia.	Date close out	-
Mill Address	Lot 2, Sungai Seguntor, Off Mile 11, Labuk Road, Sandakan, Sabah, Malaysia.	Telephone	+6089 215 115
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	GFS 085 WTP		
Issuance Date	01 June 2019	Expiration Date	31 May 2020

Assessment Details

Company Type	Sawmill and Moulding
Scope of Assessment	Havisual Sawmill Sdn. Bhd. (Goodvision Trading Sdn. Bhd.)
Product Group	Sawn timber and moulded timber
Source of Material	Sabah, Malaysia.
Species	<p><i>Drybalanops spp.</i> (Kapur), <i>Dipterocarpus spp.</i> (Keruing), <i>Shorea inappendiculata</i> (Selangan batu), <i>Parashorea spp.</i> (White seraya), <i>Shorea spp.</i> (Red seraya, Yellow seraya), <i>Heritiera simplicifolia</i> (Kembang), <i>Scaphium spp.</i> (Kembang semangkuk), <i>Sapotaceae spp.</i> (Nyatoh), <i>Shorea pauciflora</i> (Oba suluk), <i>Neolamarckia cadamba</i> (Laran), <i>Duabanga moluccana</i> (Magas), <i>Octomeles sumatrana</i> (Binuang), <i>Alstonia spp.</i> (Pulai), Lauraceae (Medang), Lithocarpus & Quercus (Mempening), Myristicaceae (Darah-darah), <i>Cotylelobium spp.</i> (Resak batu), <i>Cratoxylum arborescens</i> (Serungan), <i>Pentace spp.</i> (Takalis), <i>Hopea sangal</i> (Gagil), <i>Pterocymbium javanicum</i> (Teletto), <i>Parartocarpus</i> or <i>Artocarpus</i> (Terap), <i>Koompassia excelsa</i> (Mengarlis), <i>Dyera spp.</i> (Jelutong), Annonaceae (Pisang-pisang), Petai, <i>Tectona grandis</i> (Assam), <i>Annonaceae spp.</i> (Karai), Melapi, <i>Calophyllum obliquinervium</i> (Bintangor), Prerospermum (Bayor), <i>Anisoptera spp.</i> (Pengiran), <i>Dialium indum</i> (KerANJI), <i>Tristaniopsis merguensis</i> (Pelawan-pelawan), <i>Koompassia malaccensis</i> (Impas), <i>Iringia malayana</i> (Pauh kijang), <i>Endospermum diadenum</i> (Senduk-senduk mata), <i>Sindora beccariana</i> (Sepetir), Gluta/Semecarpus/Melanochyla & Swintonia (Rengas), <i>Dillenia spp.</i> (Simpur)</p> <p>Note: Sentang from FELDA (FGV) Smicer Timber (M) Sdn. Bhd.</p>
Lead Assessor	Lai Jia Woei
Assessor(s)	Michelle Boyou
FDS Staff	Ruslan Hj. Ismail (ADFO Sandakan), RH Zaini Jeinab (KPPM Seguntor), RH Kilat Elok (PPM Seguntor)

Terms of Assessment

The scope of the evaluation is to verify compliance of the Havisual Sawmill 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:

Havisual Sawmill Sdn. Bhd. (Havisual Sawmill)'s mill license and mill contractor license are rented to Goodvision Trading Sdn. Bhd. (Goodvision Trading) to produce sawn timber and moulding product. Products are sold locally and export to Taiwan only.

The previous assessment was conducted in May 2018 that resulted in 1 gap(s) and 0 observation(s) (report #: G162-430).

Associated Organizations & Subcontractors:

Goodvision Trading Sdn. Bhd. is the sister company of Shinn Fa Lumber Co., LTD which is a Taiwan based company. Goodvision Trading does not engage other companies as their subcontractors to provide or manufacture products.

Description of the Supply Chain:

In 2018 to April 2019, Goodvision Trading purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	FDS TLAS-CC (Expiry Date)	GFS Audit Statement # (Expiry Date)
Deramakot FR	Auction logs	Round logs	Deramakot	FSC certified	FSC certified
Megabig Enterprise (Rambariam Binti Talook & 2 Peserta)	JPHTN/SS001/07(X060/JPHTN/FRM700-2/4/1/163	Round logs	Sandakan	NA	NA
Maidi Bin Singoh & 6 peserta	JP(TG)FIA/1/18	Round logs	Tongod	NA	NA
Udi Enterprise Sdn. Bhd.	JPHTN(KKH)T00/-2/4/1/JILID3(49)BTR07/2/18	Round logs	Sandakan	NA	NA
Collector As Trustee (Khidmat Maju Kaya Sdn. Bhd.)	JPHTN/FRM/700-2/4/1/321/JID5/53	Round logs	Kota Marudu	Operation Completed	Operation Completed
Timberwell Berhad	SFMLA 06/97: KDT 07/17, KDT 08/17	Round logs	Kota Marudu	FDS(SLS)014/2017 (30/04/2019)*	GFS 002 LVS (30/04/2019)*
Miskinan Bin Bunga & 11 Peserta (Kontraktor Hiew)	JPHTN/FRM 700-2/4/1 483/3	Round logs	Beluran	FDS(SLS)028/2018 (31/05/2019)	GFS138LVS (31/05/2019)
Alius bin Hussain & 15 Peserta (Kontraktor Hiew)	JPHTN/FRM 700-2/4/1/394/JLD2./51	Round logs	Beluran	FDS(SLS)027/2018 (31/05/2019)	GFS137LVS (31/05/2019)
Lu Tong Nyet	JPHTN/FRM 700-2/5/1/10(a)jld 2/34	Round logs	Ranau	NA	NA
Danny Tan Yung Hing & 28 Peserta	JP(SBN)002/2017	Round logs	Ranau	NA	NA

Anika Desiran Sdn. Bhd.	SFMLA 10/97: KBU05/17	Round logs	Ranau	**	GFS 014 LVS (31/04/2019)**
Migil Suib & 19 Peserta	JPHTN/FRM700-2/4/1/259/68	Round logs	Kudat	NA	NA
Felda (FGV) Smicer Timber SB	NA	Plantation logs	Lahad Datu	NA	NA
Collector as Trustee (Nilai Budimas SB)	JPHTN/FRM700-2/4/321/JLD5/51&52	Round logs	Beluran	NA	NA

Asainar bin MP Ebrahim @ Hassnar & 3 Peserta	JPHTN/BN700-2/4/115(JLD2)	Round logs	Tongod	NA	NA
Zillion Fortune Sdn. Bhd.	SFMLA 04/2014: TWU02/15, TWU03/15	Round logs	Serudong	FDS(SLS)011/2018 (31/03/2019)***	GFS 095 LVS (31/03/2020)
Ramlan bin Raiman	JPHTN/FRM700-2/4/1/657/3	Round logs	Ranau	NA	NA
KTS Plantation Sdn. Bhd.	JP(SLK)125/93(CO): SDK 12/99	Round logs	Segaliud	FDS(SLS)001/2018 (31/01/2019)***	GFS 012 LVS (31/03/2020)

Note: *Sabah TLAS P1-4 conducted in May 2019.

**FDS to schedule Sabah TLAS P1-4.

***FDS to update their website.

Summary Results:

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

GAPs:				
GAP #	Type	Checklist	Status	Description
004/2017	Minor (Outstanding)	5.2.4	Closed	<p>May 2018: Havisual has not yet documented their COC procedure for the key activities in their production system that includes a batch production unit.</p> <p>May 2019: A CoC procedure dated 25th May 2018 was prepared for key activities in the production system indicating a batch production unit is issued based on batch of logs received.</p>

*Major = Non-Compliance

Obs #	Checklist	Description
001-2019	5.2.2	Zillion Fortune and KTS Plantation were documented as Sabah TLAS compliant in March 2019 but removal passes were not stamped as compliant since the process for registration by FDS was delayed.

Highlights of Close-Out Visit (if applicable)	Date
Not applicable.	

Recommendations
<p>Havisual Sdn. Bhd./Goodvision Trading Sdn. Bhd. has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Audit Statement and STCC from FDS.</p> <p>Observation identified in this assessment should be addressed before the next surveillance visit. Action required to close the observation includes:</p> <p>Observation 001-2019 – Checklist 5.2.2: FDS should issue a removal pass for material documented as Sabah TLAS compliant.</p> <p>The next surveillance visit will be scheduled in March 2020.</p>

End of Summary Report