

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Sharikat Sri-Arjuna Sdn. Bhd. (11398-P)	Reference #	GFSSBH 004-590
Contact Person	Tiong Chee Khong (Manager)	Audit Date	13/12/2023
Office Address	Batu 1, Jalan Sipitang – Sindumin, P.O Box No. 1, 89857 Sipitang, Sabah, Malaysia.	Date close out	-
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	GFS 267 WTP		
Issuance Date	18 December 2023	Expiration Date	17 December 2024

Assessment Details

Company Type	Sawmill
Scope of Assessment	Sabah TLAS P5-6: JP(K)SG021/01(B01), KON(KSG)010/02(KK)
Product Group	Sawn timber
Source of Material	Sabah, Malaysia.
Species	<i>Drybalanops spp.</i> (Kapur), <i>Shorea spp.</i> (Red seraya), <i>Parashorea spp.</i> (White seraya), <i>Shorea pauciflora</i> (Oba suluk), Other Timber (OT)
Lead Assessor	Sandra George
Assessor(s)	Vanessa Abin, Aleeza Ho
FDS Staff	Yusrijam B. MD Yusof (PPD Sipitang), Ag. Manggong Yahya (PPD Sipitang)

Terms of Assessment

The scope of the evaluation is to verify compliance of Sharikat Sri-Arjuna 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:

Sharikat Sri-Arjuna Sdn. Bhd. (Sharikat Sri-Arjuna) is registered in Kota Kinabalu, Malaysia, with registration # 11398-P. Sharikat Sri-Arjuna produces sawn timber for the local market only.

The previous assessment was conducted in January 2023 that resulted in 0 gap(s) and 2 observation(s) (Report #: GFSSBH 004-444).

Associated Organizations & Subcontractors:

Sharikat Sri-Arjuna engages Tiong & Chun Enterprise as their subcontractors to provide manpower.

Description of the Supply Chain:

From December 2022 to November 2023, Sharikat Sri-Arjuna purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Sabah Land Development Board/Lembaga Kemajuan Tanah Negeri Sabah (Iburu Timber Enterprise)	JPHTN/FRM 700-2/4/1/824/15	Round log	Sipitang	Non-Compliance	High

Note: *GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) materials & products.

Summary Results:

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

GAPs: Year 2023				
GAP #	Type	Checklist	Status	Description
-	-	-	-	-

*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2023 Addressed	5.2.2	<p>January 2023: The removal pass from the assessed compliant supplier under Sabah TLAS P1-4 was not stamped as "Sabah TLAS CC" by SFD.</p> <p>December 2023: Sharikat Sri-Arjuna did not purchase logs from the Sabah TLAS compliant supplier, Christina Liew Mei Fah & 3 Peserta.</p>
002-2023 Addressed	5.2.3	<p>January 2023: Sabah TLAS status for Christina Liew Mei Fah & 3 Peserta was identified as non-TLAS for material received in September 2022, which was documented compliant (GFSSBH 003-125) in April 2022.</p> <p>December 2023: Sharikat Sri-Arjuna has correctly identified Sabah TLAS status for its supplier in the Log Arrival Book.</p>

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

Recommendations
<p>Sharikat Sri-Arjuna Sdn. Bhd. has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Statement of Compliance and Sabah Timber Legality Assurance System Compliance Certificate (TLAS-CC) from SFD.</p> <p>The next surveillance visit is scheduled for December 2024.</p>

End of Summary Report