

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Contractor: Wincojaya Sdn. Bhd. (497019-T) Licensee: Rakyat Berjaya Sdn. Bhd. (009867-W)	Reference #	GFSSBH 004-558
Contact Person	Tony Chong Taw Kwei (Wincojaya MR)	Audit Date	03/10/2023
Office Address	Rakyat Berjaya Sdn. Bhd.: 2nd Floor, TB14943 & TB14944, Peti Surat 60793, Jalan Abaca, 91000 Tawau, Sabah, Malaysia. Wincojaya Sdn. Bhd.: TB 8283, Lot 20C, Perdana Square Commercial Centre, 91000 Tawau, Sabah, Malaysia.	Date close out	-
Mill Address	Mile 38, TWU 01/15 (YT 1/13) Gunung Rara Forest Reserve, Kalabakan, Tawau, Sabah, Malaysia.	Telephone	+6016 870 7319
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	GFS 043 WTP		
Issuance Date	09 October 2023	Expiration Date	08 October 2024

Assessment Details

Company Type	Sawmill
Scope of Assessment	Sabah TLAS P5-6: JP(T)KA002/17(X21), KON(TKA)019/10(KK)
Product Group	Sawn timber
Source of Material	Sabah, Malaysia.
Species	<i>Drybalanops spp.</i> (Kapur), <i>Dipterocarp spp.</i> (Keruing), <i>Shorea inappendiculata</i> (Selangan batu), <i>Koompassia malaccensis</i> (Impas), <i>Parashorea spp.</i> (White seraya), <i>Shorea spp.</i> (Red seraya, Yellow seraya, Melapi), <i>Heritiera simplicifolia</i> (Kembang), <i>Scaphium spp.</i> (Kembang semangkuk), (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), <i>Nauclea spp. / Neonauclea spp.</i> (Bangkal), <i>Annonaceae spp.</i> (Karai), <i>Eugenia spp.</i> (Obah), <i>Sindora beccariana</i> (Sepetir), Lauraceae (Medang), <i>Planchonia valida</i> (Putat), <i>Lophopetalum spp.</i> (Perupok), <i>Terminalia subspathulata</i> (Talisai), Lithocarpus & Quercus (Mempening), Myristicaceae (Darah-darah), <i>Dillenia spp.</i> (Simpur), <i>Cotylelobium spp.</i> (Resak batu), <i>Cratoxylum arborescens</i> (Serungan), <i>Pentace spp.</i> (Takalis), <i>Koordersiodendron pinnatum</i> (Ranggu), <i>Hopea sangal</i> (Gagil), <i>Tristaniopsis merguensis</i> (Pelawan-pelawan), Gluta/Semecarpus/Melanochyla & Swintonia (Rengas), Annonaceae (Pisang-pisang), <i>Azadirachta excels</i> (Bawang-bawang), <i>Endospermum diadenum</i> (Sendok – Sendok), Assam, Perapat Hutan, Other Timber (OT)
Lead Assessor	Sandra George
Assessor(s)	Tommy Olui
FDS Staff	Abdul Hadi Bin Ruddani (PPD Kalabakan), Yusri Yusof (PPD Kalabakan), Yohanes Nambalek (PPD Kalabakan), Carlos Alfero (PPD Kalabakan)

Terms of Assessment

The scope of the evaluation is to verify compliance of Rakyat Berjaya Sdn. Bhd. (Wincojaya 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:

Wincojaya Sdn. Bhd. (Wincojaya) is registered in Kota Kinabalu, Malaysia, with registration # 497019-T. Wincojaya is located within Rakyat Berjaya Sdn. Bhd. (Rakyat Berjaya) concession area (SFMLA 09/97) and registered with the SFD as a mill contractor. Wincojaya produces sawn timber for the local market only.

The previous assessment was conducted in January 2023 that resulted in 3 gap(s) and 0 observation(s) (Report #: GFSSBH 004-420a).

Associated Organizations & Subcontractors:

Wincojaya is associated with Rakyat Berjaya Sdn. Bhd. (Usahawan Borneo Greenwood Sdn. Bhd.) that provides manpower.

Description of the Supply Chain:

From October 2022 to September 2023, Wincojaya purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Rakyat Berjaya Sdn. Bhd (Usahawan Borneo Greenwood Sdn. Bhd.)	SFMLA 09/97	Round logs	Kalabakan	GFS 043 LVS (23/07/2024)	Low

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

Summary Results:

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

GAPs: Year 2023

GAP #	Type	Checklist	Status	Description
002/2021	minor	5.2.3	Closed	<p>December 2021: No indication of removal pass number in the log arrival book.</p> <p>November 2022: Wincojaya referenced the removal pass number; however, the company did not indicate Sabah TLAS status in the log arrival book.</p> <p>October 2023: Wincojaya has indicated the Sabah TLAS status in the log arrival book.</p>
002/2022	Major	5.3.1	Closed	<p>November 2022: No evidence that foreign workers were covered under SOCSO, work permits and COI as required.</p> <p>January 2023: Wincojaya and Bakat Saga could not provide</p>

				proof of SOCSO registration, valid work permits and COI for all current foreign workers. October 2023: All workers were registered under SOCSO and COI as required.
003/2022	Major	5.3.5	Closed	November 2022: Bakat Saga did not submit monthly SOCSO contributions for foreign workers as required. January 2023: Bakat Saga could not provide evidence of monthly SOCSO contributions for all current foreign workers. October 2023: SOCSO contributions for all workers were submitted monthly as required.
001/2023	minor	5.1.1 6.1.1	New	October 2023: No evidence that the timber supplier license is renewed.

*Major = Non-Compliance

Observations: Year 2023

Obs #	Checklist	Description
001-2023	5.1.2	October 2023: Incorrect recording of log carry-forward stock for Aug 2023 in Appendix 1 manual.

Highlights of Close-Out Visit (if applicable)

Date: -

Not applicable

Recommendations

Rakyat Berjaya Sdn. Bhd. (Wincojaya 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.

Gap(s)/Observation(s) identified in this assessment should be addressed before the next surveillance visit. Action required to close the gap(s)/observation(s) include:

Gap 001/2023 (minor) – Checklist 5.1.1, 6.1.1: Wincojaya shall renew the timber supplier license 3 months before the expiry date.

Observation 001-2023 – Checklist 5.1.2: Wincojaya shall record the correct log carry-forward stock in Appendix 1 for manual version.

The next annual surveillance visit is scheduled for October 2024.

End of Summary Report