

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Bonusoon Wood Sdn. Bhd. (415435-T)	Reference #	GFSSBH 004-448
Contact Person	Michael Tiong (Director)	Audit Date	11/01/2023
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Mill Address	Warehouse: Mile 6.5, Jalan Tuaran, Inanam, 88430 Kota Kinabalu, Sabah, Malaysia.	Telephone	+6088 421 226
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		Approved By	Dr. Kevin Grace

Statements			
Audit Statement #	GFS 240 WTP		
Issuance Date	16 January 2023	Expiration Date	15 January 2024

Assessment Details	
Company Type	Importer & trading
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(I)007/2019
Product Group	Sawn timber & Plywood
Source of Material	Sabah – Malaysia & Vietnam.
Species	Pine (<i>Pinus</i> spp.), Mixed species of plywood and OT (other timber)
Lead Assessor	Glory Linggou
Assessor(s)	Ivy Justin
FDS Staff	Shakif Affendy (PPD Kota Kinabalu), Jasni Rapiee (PPD Kota Kinabalu), Jude. R (PPD Kota Kinabalu), Likib Tanjung (PPD Kota Kinabalu)

Terms of Assessment
The scope of the evaluation is to verify compliance of Bonusoon Wood 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:

Tropical Timber Trading (Sabah) Sdn. Bhd. [Tropical Timber Trading (Sabah)] is registered in Sabah, (111175-A) as a holding company for Bonusoon Wood Sdn. Bhd. (Bonusoon Wood).

Bonusoon Wood was established in 1996 is registered in Sarawak, (415435-T). Bonusoon Wood is a timber merchant & suppliers of building materials and lubricant oil.

Bonusoon Wood has a tenancy agreement with Tropical Timber and Trading (Sabah) Sdn. Bhd. dated 01/01/2023 to operate the warehouse.

The previous assessment was conducted in January 2022 that resulted in 2 gap(s) and 0 observation(s) (Report #: GFSSBH 004-295).

Associated Organizations & Subcontractors:

Tropical Timber and Trading associated with several associated companies, which includes Cymasun Trading Sdn. Bhd., East Asia Agencies (Sabah) Sdn. Bhd., Tropical Pulpwood (Sabah) Sdn. Bhd., Tropical Pulpwood Sdn. Bhd., Uniqueland Development Sdn. Bhd., East Asia Aluminum (Sabah) Sdn. Bhd., Mega Uni-Consortium Sdn. Bhd., and Nuri Harapan Sdn. Bhd.

Bonusoon Wood subcontracts Cymasun Trading Sdn. Bhd. for resizing services based on buyer's orders / specifications. Bonusoon Wood shares warehousing facilities with Cymasun Trading Sdn. Bhd. Bonusoon Wood engages Jelas Cermat Sdn. Bhd. as a subcontractor to provide manpower.

Description of the Supply Chain:

From December 2021 to December 2022, Bonusoon Wood purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Winpine Timber Sdn. Bhd.	FDS(KG)(I)023/2019	Sawn timber	Keningau	GFS 220 WTP (07/08/2023)	Low
Yun Seng Enterprise	PG/SDK01/2017	Plywood	Sandakan	-	High
SG Trading Sdn. Bhd.	JP(S)KG003/11(M01)	Sawn timber	Keningau	GFS 086 WTP (22/05/2023)	Low
JG Progressive Enterprise	FDS(KK)(I)042/2019	Sawn timber	Kota Kinabalu	GFS 265 WTP (13/03/2023)	Low
Caltech Enterprise	Not stated	Sawn timber	Kota Kinabalu	-	High
C. Y. K. Enterprise Sdn. Bhd.	FDS(KK)(I)039/2019	Sawn timber	Kota Kinabalu	GFS 264 WTP (13/03/2023)	Low
Anh Binh Plywood Company Limited	Not stated	Plywood	Vietnam	-	High
Soonlinmas Sdn. Bhd.	FDS(KK)(I)043/2019	Plywood	Kota Kinabalu	GFS 261 WTP (06/03/2023)	Low
Anh Kiet Development Trading & Services Co., Ltd.	Not stated	Plywood	Vietnam	-	High

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

Summary Results:

(Major gap = 0, Minor gap = 1, Observation = 2)

GAPs: Year 2023					
GAP #	Type	Checklist	Status	Description	
001/2022	Raised to Minor	5.2.3	Closed	January 2022: The company has yet to record the Sabah TLAS status in the raw material arrival book. January 2023: Bonusoon Wood recorded the Sabah TLAS status in the arrival book.	
002/2022	Minor	5.2.4	Closed	January 2022: Inadequate description for identification of Sabah TLAS from receiving through issuance of a Work Order for resizing by Cymasun Trading. January 2023: Bonusoon Wood revised the COC manual to adequately describe identification of Sabah TLAS status from receiving to production.	
001/2023	Minor	5.1.2	New	January 2023: Discrepancies in recording the volume of material supply between removal pass, Delivery Order (D/O)	

				and arrival book.
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*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2023	5.2.1	January 2023: Material received from Caltech Enterprise is not accompanied by a Removal Pass as per CF 8/2022 Circular dated 15/08/2022.
002-2023	6.2.7	January 2023: Bonusoon Wood did not maintain the phytosanitary certificate for the sampled import consignment during the assessment (BK1234/2022).

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

Recommendations
<p>Bonusoon Wood 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>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:</p> <p>Gap 001/2023 (Minor) – Checklist 5.1.2: Bonusoon Wood shall correctly record the volume received in the arrival book based on removal passes.</p> <p>Observation 001-2023 – Checklist 5.2.1: Bonusoon Wood shall ensure material received is accompanied by a removal pass.</p> <p>Observation 002-2023 – Checklist 6.2.7: Bonusoon Wood shall maintain a copy of phytosanitary certificate for import consignments.</p> <p>The next surveillance visit is scheduled for January 2024.</p>

End of Summary Report