

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Sabajuta Industries Sdn. Bhd. 199201020156 (251660-U)	Reference #	GFSSBH 004-714
Contact Person	Liew Thien Chu (Director) Mohd. Nadzlee (Management Representative)	Audit Date	15/08/2024
Office Address	WDT 786, 90009 Sandakan, Sabah, Malaysia.	Date close out	-
Mill Address	Lot CL 075385698, Sungai Matatau, Jalan Seguntor, 90000 Sandakan, Sabah, Malaysia.	Telephone	+6089 235 922
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		Approved By	Dr. Kevin Grace

Statements

Statement of Compliance	GFS 049 WTP		
Issuance Date	19 August 2024	Expiration Date	18 August 2025

Assessment Details

Company Type	Sawmill / Plywood / Blockboard / Fancy & Decorative Plywood / Carbon wood / Woodchips and Moulding products mill, Exporter, Importer
Scope of Assessment	Sabah TLAS P5-6: JP(S)SS001/03(X38), FDS(SS)(S)027/2019(M), FDS(SS)(E)026/2019(M), FDS(SS)(I)027/2019(M)
Product Group	Plywood
Source of Material	Sabah and Sarawak - Malaysia
Species	Sabah: Parashorea spp. (White Seraya), Shorea spp. (Red Seraya, Yellow Seraya), Sapotaceae (Nyatoh), Neolamarckia Cadamba (Laran), Alstonia spp. (Pulai), Lauraceae (Medang), Dipterocarpus spp. (Keruing), Drybalanops spp. (Kapur), Pentace spp. (Takalis), Myristicaceae (Darah-darah) Sarawak: Mixed Light Hardwood (MLH)
Lead Assessor	Glory Linggou
Assessor(s)	Priera Bagang, Brandon James, Anis Andrew
SFD Staff	-

Terms of Assessment

The scope of the evaluation is to verify compliance with Sabajuta Industries 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:

Sabajuta Industries Sdn. Bhd. (Sabajuta Industries) is, on from 28/10/1992, incorporated under Companies Act 2016 is registered in Kuala Lumpur, Malaysia, with registration #: 199201020156 (251660-U). Sabajuta Industries produces sawn timber for their own use within the mill and produces plywood for export to South Korea, Taiwan, India, Australia, Thailand, Mexico, United Kingdom and the USA.

Associated Organizations & Subcontractors:

Sabajuta Industries does not engage subcontractor to produce or manufacture products. Agensi Pekerjaan Sri Kembangan Sdn. Bhd. handles manpower for foreign workers; however, no agreement was made between Sabajuta Industries and Agensi Pekerjaan Sri Kembangan Sdn. Bhd.

Description of the Supply Chain:

From June 2023 to July 2024, Sabajuta Industries purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk*
TSH Resources Berhad	SFMLA 07/1997	Round logs	Beluran	Non-Compliance	High
Rakyat Berjaya Sdn. Bhd. (Kinetic Journey Sdn. Bhd.)	SFMLA 09/97	Round logs	Tongod	GFS 130 LVS (03/09/2024)	Low
Koperasi Polis Kempera (KOPOSA)	FIIB: JPHTN(FIIB)STL2023/03	Round logs	Telupid	-	High
Timberwell Berhad	SFMLA 06/97	Round logs	Kota Marudu	GFS 002 LVS (25/12/2024)	Low
Joaz Enterprise	JP(STG)003/2022(F1)	Roung logs	Tongod	GFS 200 LVS (15/10/2024)	Low
Arunamari Estate	FIIB: JPHTN/FRM700- 2/4/1JILID.6/22	Round logs	Beluran	-	High
Country-Forest Industries Sdn. Bhd.	Not stated	Plywood Veneer	Sarawak	-	High

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

Summary Results:

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

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
-	-	-	-	-

*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2024	5.1.2	August 2024: No physical jetty license was presented during the assessment.
002-2024	5.1.3	August 2024: Incorrect recording of input volume in Appendix 1 manual submission.
003-2024	5.2.4	August 2024: Removal Passes were not consistently stamped as "Used" by the SFD.

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

Recommendations

Sabajuta Industries 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:

Observation 001-2024 – Checklist 5.1.2: Sabajuta Industries shall maintain the jetty license in their office.

Observation 002-2024 – Checklist 5.1.3: Sabajuta Industries shall record the input volume in Appendix 1 manual correctly.

Observation 003-2024 – Checklist 5.2.4: SFD shall ensure all removal passes are stamped as “Used.”

The next surveillance visit is scheduled for August 2025.

End of Summary Report