

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Mau Seng Timber Sdn. Bhd. (084048-X)	Reference #	GFSSBH 004-506
Contact Person	Wong Lee Chin (Executive)	Audit Date	22/05/2023
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	GFS 028 WTP		
Issuance Date	29 May 2023	Expiration Date	28 May 2024

Assessment Details

Company Type	Sawmill, Moulding, Briquette, Kiln Dry Plant and Exporter
Scope of Assessment	Sabah TLAS P5-6: JP (K) KK 001/17(X42)
Product Group	Sawn timber, Moulding (S4S), Finger Joint
Source of Material	Sabah, Malaysia.
Species	<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>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), <i>Lauraceae spp.</i> (Medang), <i>Planchonia valida</i> (Putat), <i>Lithocarpus spp.</i> (Mempening), <i>Myristicaceae spp.</i> (Darah-darah), <i>Cotylelobium spp.</i> (Resak batu), <i>Cratoxylum arborescens</i> (Serungan), <i>Pentace spp.</i> (Takalis), <i>Hopea sangal</i> (Gagil), <i>Koompassia excelsa</i> (Mengaris), <i>Dyera spp.</i> (Jelutong), <i>Intsia palembanica</i> (Merbau), <i>Annonaceae spp.</i> (Pisang-pisang), <i>Castanopsis motleyana</i> (Berangan), <i>Leucaena spp.</i> (Petai), <i>Cedrela sureni</i> (Surian), <i>Agathis borneensis</i> (Mengilan), <i>Magnolia champaca</i> (Cempaka), OT (Other timber).
Lead Assessor	Brandon James
Assessor(s)	Glory Linggou
FDS Staff	-

Terms of Assessment

The scope of the evaluation is to verify compliance of Mau Seng Timber 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:

Mau Seng Timber Sdn. Bhd. (Mau Seng Timber) is registered in Kuala Lumpur, Malaysia, with registration # 084048-X. Sawn timber and moulding (S4S and Finger joint) are sold locally and exported mainly to New Zealand, Australia and Japan.

The previous assessment was conducted in June 2022 that resulted in 1 gap(s) and 1 observation(s) (Report #: GFSSBH 004-359).

Associated Organizations & Subcontractors:

Mau Seng Timber engages Mega Agency as its agent to handle documentation for export activities and Agensi Pekerjaan Borneo Daya Sdn. Bhd. to provide manpower.

Description of the Supply Chain:

From April 2022 to April 2023, Mau Seng Timber purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Christina Liew Mei Fah & 3 Peserta (Tiong & Chun Enterprise)	JPTHN/FRM 700-2/4/1/824/7	Round logs	Sipitang	GFS 176 LVS (17/04/2023)**	Low
Lembaga Kemajuan Tanah Negeri Sabah (Iburu Timber Enterprise)	JPHTN/FRM 700-2/4/1/299(c)/37	Round logs	Sipitang	Non-Compliance	High
JD Salarong Sdn. Bhd. (SC Capital Management Sdn. Bhd.)	JP(NNN)005/2020(F1)	Round logs	Nabawan	Non-Compliance	High
Sharikat Sri-Arjuna Sdn. Bhd.	JP(K)SG021/01(B01)	Sawn timber	Sipitang	GFS 267 WTP (08/01/2024)	Low
FL Trading Enterprise	-	Sawn timber	Keningau	-	High
Apeca Sdn. Bhd. (R & N Timber Industries Sdn. Bhd.)	JP(N)KG019/00 (X04) R	Sawn timber	Keningau	GFS 118 WTP (07/05/2024)	Low

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

**Raw materials received before the expiry date are low risk.

**SFD to schedule Sabah TLAS P1-4 assessment (if applicable).

Summary Results:

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

GAPs: Year 2023				
GAP #	Type	Checklist	Status	Description
002/2021	Minor	5.2.5 5.2.7	Closed	<p>June 2021: No marking of production batch unit was observed on the finger joint's WIP and finished goods in the mill.</p> <p>June 2022: Lack of identification of production batch unit on WIP.</p> <p>May 2023: The production batch unit & TLAS status was identified on WIP & Finished Goods.</p>

*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2022 Outstanding	5.2.2	<p>June 2022: Two (2) sampled removal passes were not stamped as "Used" by SFD.</p> <p>May 2023: Inconsistent stamping of removal passes for logs received from the supplier under Sabah TLAS P1-4 compliant.</p>

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

Recommendations

Mau Seng Timber 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 001-2022 Outstanding – Checklist 5.2.2: SFD shall stamp “Sabah TLAS CC” for removal passes from licensees compliant under Sabah TLAS P1-4.

The next surveillance visit is scheduled for May 2024.

End of Summary Report