

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Lawas Lumber Wood Processing Sdn. Bhd. 200501030090 (712227-V)	<b>Reference #</b>	GFSSBH 004-602
<b>Contact Person</b>	Robert Wong (R.M Services) Roslin Tadam (Lawas Lumber Wood Processing)	<b>Audit Date</b>	16/01/2024
<b>Office Address</b>	<u>Sabah Office:</u> Lot 3.28, 3 <sup>rd</sup> Floor, Asia City Complex, Phase III, 88000 Kota Kinabalu, Sabah. <u>Sarawak Office:</u> Lot 1126 & 1127, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor, Riam Commercial Centre, Jalan Riam, 98008 Miri, Sarawak, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Lot 665, KM 22, Jalan Merapok, 98850 Lawas, Sarawak, Malaysia.	<b>Telephone</b>	+6013 808 0266 +6014 594 2259
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

<b>Audit Statement #</b>	GFS 259 WTP		
<b>Issuance Date</b>	22 January 2024	<b>Expiration Date</b>	21 January 2025

### Assessment Details

<b>Company Type</b>	Importer and exporter
<b>Scope of Assessment</b>	Sabah TLAS P5-6: FDS(KK)(E)005/2019, FDS(KK)(I)012/2019, FDS(KK)(S)005/2022
<b>Product Group</b>	Veneer
<b>Source of Material</b>	Gabon & Peninsular Malaysia
<b>Species</b>	Mixed species
<b>Lead Assessor</b>	Brandon James
<b>Assessor(s)</b>	Aleeza Ho
<b>FDS Staff</b>	-

### Terms of Assessment

The scope of the evaluation is to verify compliance of Lawas Lumber Wood Processing 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:**

Lawas Lumber Wood Processing Sdn. Bhd. (Lawas Lumber Wood Processing) is registered with the Companies Commission of Malaysia (SSM) on 10/10/2005 in Sarawak, with registration #: 200501030090 712227-V.

Lawas Lumber Wood Processing has a wood processing facility located in Lawas, Sarawak (Mill Reg. #: KPP/JPP/C1-10/(65), STIDC #: 0005375). Lawas Lumber Wood Processing has licenses from SFD with an address in Central Building, Kota Kinabalu, Sabah and the trading license is in Asia City Sabah. Lawas Lumber Wood Processing imports veneer from Gabon and Peninsular Malaysia and exports them to Sarawak.

The previous assessment was conducted in February 2023 that resulted in 0 gap(s) and 2 observation(s) (Report #: GFSSBH 004-457).

**Associated Organizations & Subcontractors:**

Lawas Lumber Wood Processing engages R.M Services Sdn. Bhd. as its agent to handle documentation for import and export activities.

**Description of the Supply Chain:**

From December 2022 to December 2023, Lawas Lumber Wood Processing purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Solid Wood Gabon Suarl	Not stated	Veneer	Gabon	-	High
Bestock Timber Sdn. Bhd.	Not stated	Veneer	Peninsular Malaysia	-	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 = 1)

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

\*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2023 Addressed	6.1.2	<b>February 2023:</b> Lawas Lumber Wood processing could not provide purchase order and packing list for the export consignment. <b>January 2024:</b> Lawas Lumber Wood Processing maintained export consignment documents.
002-2023 Addressed	6.3.2 6.3.3 6.4.3	<b>February 2023:</b> Inconsistency in maintaining copies of removal pass for the imported material. <b>January 2024:</b> Lawas Lumber Wood Processing has not imported timber or timber products from Sarawak.
001-2024	5.2.7 6.2.3	<b>January 2024:</b> Lawas Lumber Wood Processing did not maintain copies of purchase orders for import consignments as per COC procedures.

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

**Recommendations**

**Lawas Lumber Wood Processing Sdn. Bhd.** has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody and is eligible 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 5.2.7, 6.2.3:** Documents such as purchase orders for import consignments shall be maintained as per the CoC procedure.

The next surveillance visit is scheduled for January 2025.

**End of Summary Report**