

Sabah TLAS Audit Report Principles 5 & 6

Organisation	SJ Borneo Sdn. Bhd. (933133-V)	Reference #	GFSSBH 004-540
Contact Person	Su San Shien (Manager)	Audit Date	23/08/2023
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	GFS 158 WTP		
Issuance Date	28 August 2023	Expiration Date	27 August 2024

Assessment Details

Company Type	Moulding, furniture
Scope of Assessment	Sabah TLAS P5-6: JP(T)TW001/15(X26)
Product Group	Sawn timber, moulded timber, door, door frame, finger-joint
Source of Material	Sabah, Malaysia.
Species	<i>Shorea spp.</i> (Red seraya and Yellow seraya), <i>Dialium indum</i> (Keranji), Other Timber (OT)
Lead Assessor	Sandra George
Assessor(s)	Glory Linggou, Aleeza Ho
FDS Staff	Abd Suhaimi Bin Abd Manap (PPD Tawau)

Terms of Assessment

The scope of the evaluation is to verify compliance of SJ Borneo 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:

SJ Borneo Sdn. Bhd. (SJ Borneo) is registered in Tawau, Malaysia, with registration # 933133-V. SJ Borneo produces moulded timber, doors, door frames and finger-joint for the local market. SJ Borneo exports its products to Hong Kong through its agent, Arus Borneo Sdn. Bhd.

The previous assessment was conducted in August 2022 that resulted in 3 gap(s) and 0 observation(s) (Report #: GFSSBH 004-393).

Associated Organizations & Subcontractors:

SJ Borneo engages Arus Borneo Sdn. Bhd. as its agent to handle export consignments.

Description of the Supply Chain:

From August 2022 to July 2023, SJ Borneo purchased raw materials from the supplier as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
CHK Enterprise Sdn. Bhd.	FDS(SS)(E)045/2019	Sawn timber	Sandakan	GFS 234 WTP (23/07/2024)	Low
Fu Yee Corporation Sdn. Bhd.	JP(T)KA001/00(X52)R	Sawn timber	Tawau	GFS 079 WTP (06/11/2023)	Low
Mastergroup Enterprise Sdn. Bhd. (Fung Guan Enterprise Sdn. Bhd.)	JP(T)TW001/00(X37)R	Sawn timber	Tawau	GFS 153 WTP (18/12/2023)	Low

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 = 1)

GAPs: Year 2023				
GAP #	Type	Checklist	Status	Description
002/2021	minor	5.2.4	Closed	<p>September 2021: Inadequate identification of Sabah TLAS status for purchasing of raw material, through production sales of products in the current COC procedures.</p> <p>August 2022: The revised CoC manual does not clearly define the code to identify TLAS within the batch number and identification of TLAS status for purchases of material or product sales.</p> <p>August 2023: SJ Borneo has revised the COC manual which clearly defines the code to identify TLAS within the batch number and identification of TLAS status for purchases of material or product sales.</p>
001/2022	minor	5.3.2 5.3.7	Closed	<p>August 2022: No evidence of safety training and records of fire training were incomplete.</p> <p>August 2023: SJ Borneo has conducted safety and fire training and records of training are maintained.</p>
002/2022	minor	5.3.4	Closed	<p>August 2022: No evidence that the JKPP 8 for 2021 was submitted by the company.</p> <p>August 2023: SJ Borneo has submitted the JKPP 8 to DOSH.</p>

*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2023	5.1.2	August 2023: SJ Borneo did not record the sawn timber carry forward stock for the Appendix 7 online submission.

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

Recommendations
<p>SJ Borneo 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>Observation 001-2023 – Checklist 5.1.2: SJ Borneo shall record the sawn timber carry forward stock for the Appendix 7 online submission to SFD.</p> <p>The next surveillance visit is scheduled for August 2024.</p>

End of Summary Report