

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Lusera Development Sdn. Bhd. 201401025576 (1101666-X)	Reference #	GFSSBH 004-760
Contact Person	Mr. George Hsin (Managing Director)	Audit Date	09/12/2024
Office Address	Lot B-2-5, 2nd Floor, Block B, Taipan 1, Inanam, 88450 Kota Kinabalu, Sabah, Malaysia.	Date close out	-
Mill Address	Lot B-2-5, 2nd Floor, Block B, Taipan 1, Inanam, 88450 Kota Kinabalu, Sabah, Malaysia.	Telephone	+6088 432 712
Email	Lusera_development@hotmail.com DFO KK: Aglsmail.AgTuah@sabah.gov.my PPW KK: MohdNasir.AgSuman@sabah.gov.my	Fax	+6088 432 713
		Approved By	Dr. Kevin Grace

Statements

Statement of Compliance	GFS 191 WTP		
Issuance Date	16 December 2024	Expiration Date	15 December 2025

Assessment Details

Company Type	Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(E)063/2019(M)
Product Group	Moulded timber (S4S, S2S, E4E, Finger Joint, Furniture, Door)
Source of Material	Sabah, Malaysia
Species	Shorea inappendiculata (Selangan batu/Balau), Shorea spp. (Yellow seraya, Red seraya), Dryobalanops spp. (Kapur), Dipterocarpus spp. (Keruing), Parashorea spp. (White Seraya), OT (Other timber)
Lead Assessor	Brandon James
Assessor(s)	Anne G. Grace
SFD Staff	-

Terms of Assessment

The scope of the evaluation is to verify compliance with Lusera Development 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 is 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 knowledge of GFS.

Background Information:

Lusera Development Sdn. Bhd. (Lusera Development) is, on and from 16/07/2014, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Malaysia, with registration #: 201401025576 (1101666-X). Lusera Development exports sawn and moulded timber, which are directly shipped from Lusera in Telipok to China, Taiwan, Maldives, and Singapore.

Associated Organizations & Subcontractors:

Lusera Development has two associated companies; Kilang Kayu Lohan Sdn. Bhd. (Kilang Kayu Lohan) a sawn timber mill in Ranau and Lusera a timber processing factory in Telipok.

Description of the Supply Chain:

From October 2023 to October 2024, Lusera Development exported products from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Lusera Sdn. Bhd.	JP(K)(KK)001/09(X39)	Moulded timber	Kota Kinabalu	GFS 114 WTP (19/11/2024)	High

*GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) materials & products. Materials received before the expiry date are considered as low risk.

Summary Results:

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

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	6.3.4 6.4.1	New	December 2024: Discrepancy between export consignments that did not define the Sabah TLAS status and STCC # and the monthly Sales Records of Sabah TLAS products.

*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
-	-	-

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

Recommendations
<p>Lusera Development 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: Gap 001/2024 (minor) – Checklist 6.3.4, 6.4.1: Lusera Development must ensure sales of Sabah TLAS products and monthly sales records are correct and according to CoC procedures.</p> <p>The next surveillance visit is scheduled for December 2025.</p>

End of Summary Report