

Sabah TLAS Audit Report

Sabah Legality Standard Principles 1 – 4

Licensee	Licensee: Simah Binti Talib & 13 Peserta Contractor: Syarikat Tuaran Enterprise (Sole proprietorship)	Reference #	GFSSBH 003-150
Contact Person	Steven Vun (Manager)	Date of Report	09/09/2022
Office Address	PPM 603, Elopura 90000, Sandakan, Sabah, Malaysia.	Date of close out	-
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		Fax	-
		Approved By	Dr. Kevin Grace

Statements			
Audit Statement	GFS 169 LVS		
Issuance Date	12 September 2022	Expiration Date	11 September 2023

Assessment Details	
Assessment Dates	05 – 09 September 2022
Scope of Assessment	TLAS P1-4: Form IIB - JPHTN/FRM 700-2/4/1/838/5
Species	Mixed species
Lead Assessor	Priera Bagang, (Acting) Ivy Justin
Assessor(s)	Sandra George
SFD Staff	Jamain Hj Alias (DFO Kinabatangan), Ladwin Rulai (ADFO Kinabatangan), Safri (KPPM Tundon Bohangin), Janiu Gangon (ADFO Kinabatangan)

OBJECTIVES:

- The objective of this checklist is to verify compliance to the Criteria listed in the Sabah Legality Standard as defined by Principles 1 - 4 for Sabah dated 01st January 2015 (**FDS-TLAS-002**).
- Compliance is defined when all applicable criteria are observed to be compliant. A Minor Gap to any indicator does not constitute non-compliance to a criterion. A Major Gap to any applicable indicator does reflect non-compliance to a criterion. Compliance for a criterion where multiple minor gaps are identified in indicators under the criterion may reflect non-compliance to the criterion.
- All issues identified under this standard shall be considered appropriate to the scale and degree of forestry operations undertaken by the parties under the agreement.

Summary Information

Overview of Licensee:

- Syarikat Tuaran Enterprise was appointed as a logging contractor by Simah Binti Talib & 13 Peserta to conduct logging inside the Native Title (NT) land consisting of 14 lots. The total area for development is 17.024 ha. Based on the contractor, the area will be converted into an oil palm plantation after salvage logging is completed.
- The company has stopped its operation since the last permit application, which ended in August 2022. Currently, all logs have been transported out.
- The applicant (licensee) is under the jurisdiction of the Kinabatangan District Forestry Office.
- Land use classification:

Land classification	Land status (ha)	Current Status (ha)
Total Concession Area	14 Native Title land: 17.024 ha	17.024 ha
Production Area	17.024 ha	Total log production: 632 pieces Total volume: 621.67 m ³

Environmental Context:

- The Form IIB area is located at Sg. Kulamba, Kampung Tundon Bohangin, Kinabatangan.
- The nearest forest reserve is Kulamba Wildlife Sanctuary, Class VII, located approximately 10km from the licensed area.
- Based on the field visit, the topography of the area is flat, with sandy and clay soil and prone to floods during the monsoon season.
- Based on the production records, the area predominantly has mixed lowland dipterocarp species.
- There is no requirement for EIA or PMM for the licensed area as it is not applicable for areas under 100 ha.

Social Context:

- There is no village identified within the licensed area. Land titles have been awarded to Simah Binti Talib & 13 Peserta, as private property. The nearest village, Kg. Tundon Bohangin is located in the southeast, approximately 2KM from the licensed area.
- There are no other NCR claims inside the titled land. Based on the contractor, the area will be developed into an oil palm plantation.

Scope of Assessment

- The scope of the evaluation is to verify compliance of **Simah Binti Talib & 13 Peserta** with the with the Form IIB permit No. **JPHTN/FRM 700-2/4/1/838/5**.
- The assessment is in accordance on the terms of the agreement for the “Sabah Legality Standard Principles 1 - 4 dated 01st January 2015 (**FDS-TLAS-002**).
- Site evaluation to verify and report the level of compliance by **Simah Binti Talib & 13 Peserta** and contractor to the standard in respect to each of the criteria within this report.
- Compliance is defined when the auditee demonstrates that the indicators consist of none or only minor gaps against any applicable criteria of the standard. Non-compliance to the Sabah Legality Standard occurs when the auditee does not demonstrate adequate compliance to a criterion.

Itinerary & Mandays: Form IIB permit: Simah Binti Talib & 13 Peserta / Kinabatangan District / 05 – 09 Sep 2022 (Total Mandays = 17)

Date	Activity	GFS Staff	Mandays
05 September 2022 Monday	Travel to Sandakan and drafting report.	Ivy Justin Piera Bagang Sandra George	3
06 September 2022 Tuesday	Travel to Kinabatangan: Opening Meeting at PPD Kinabatangan and document review.	Ivy Justin Piera Bagang Sandra George	3
07 September 2022 Wednesday	Field visit to licensed boundary, log landing and logging area.	Ivy Justin Piera Bagang Sandra George	3
08 September 2022 Thursday	Document review at PPD Kinabatangan and closing meeting.	Ivy Justin Piera Bagang Sandra George	3
09 September 2022 Friday	Finalizing report. Travel to home base.	Ivy Justin Piera Bagang Sandra George	3
10 - 11 September 2022	Reporting GFSSBH 003-150	Dr. Kevin Grace Piera Bagang	2
Total			17

Highlights of Assessment

(Major Gaps = 0; Minor Gaps = 1; Observations = 0)

Simah Binti Talib & 13 Peserta (Syarikat Tuaran Enterprise) has complied with the Sabah Legality Standard (**SFD-TLAS-002**) as no non-compliance was identified during the assessment on 05 – 09 September 2022.

Summary of status of operations by **Principle**:

Principle 1.

The approved Form IIB permit issued by SFD.

Application	Total logs	Total volume, m ³	Total area, ha
JPHTN/FRM 700-2/4/1/838/5, dated 17/08/2022.	632	621.67	17.024

Based on the approval, Form IIB will expire one month after the approval date.

The company is not required to submit ECR or PMM report to the EPD as the area is less than 100 ha. No evidence of an existing EIA study was conducted for the licensed area.

Principle 2.

Based on the titled land map, there was no protection area to be protected within the licensed area. GFS observed that the area is flat with no permanent stream inside the licensed area.

September 2022: Gap 001/2022 (Minor) – Checklist 2.3.2 & 2.3.7

The company did not conduct safety and fire training prior to the forest operation.

Principle 3.

The company has paid all the associated fees to the SFD.

Principle 4.

Not applicable – There is no village or local settlement located within the licensed area. The State Government awarded the land titles to the beneficiaries as private property.

Summary Results:

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

Gap raised against indicators & criteria during the September, 2022 assessment.

GAP	Type	Checklist	Status	Description
001/2022	Minor	2.3.2 2.3.7	New	September 2022: The company did not conduct safety and fire training prior to the forest operation.

Observation raised against indicators & criteria during the September, 2022 assessment.

Obs #	Checklist	Description
-	-	-

Highlights of Close Out Visit (if applicable)	Dates
Not applicable	-

Recommendations
<p>Simah Binti Talib & 13 Peserta (Syarikat Tuaran Enterprise) demonstrated compliance with the Sabah Legality Standard (SFD-TLAS-002) for its designated area 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 001/2022 (Minor) – Checklist 2.3.2, 2.3.7: Conduct safety and fire training prevention awareness/training for the forest workers prior to operation.</p> <p>Form IIB permits issued for areas under 100 ha are expected to be completed within 12 months; thus, annual surveillance should not be applicable.</p>

End of Summary Report