

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Billion Solaris Sdn. Bhd. 201601020261 (1191199-M)	Reference #	GFSSBH 004-599
Contact Person	Mohd Ali @ Lee Shan Wee (Director)	Audit Date	10/01/2024
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement #	GFS 268 WTP		
Issuance Date	15 January 2024	Expiration Date	14 January 2025

Assessment Details

Company Type	Sawmill, Moulding, Veneer, Exporter
Scope of Assessment	Sabah TLAS P5-6: JP(T)TW001/2022(X59), FDS(TW)(E)054/2019, FDS(TW)(S)002/2022(M)
Product Group	Veneer
Source of Material	Sabah, Malaysia.
Species	<i>Parashorea spp.</i> (White seraya), <i>Shorea spp.</i> (Red seraya, Yellow seraya), Other Timber (OT)
Lead Assessor	Sandra George
Assessor(s)	Glory Linggou, Tommy Olui, Vanessa Abin
FDS Staff	Mohd Azhar Ismail (PPD Tawau)

Terms of Assessment

The scope of the evaluation is to verify compliance of Billion Solaris 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:

Billion Solaris Sdn. Bhd. (Billion Solaris) is registered in Kota Kinabalu, Malaysia, with registration #: 201601020261 (1191199-M). Billion Solaris produces veneer for the local market and exports them to China.

The previous assessment was conducted in January 2023 that resulted in 0 gap(s) and 0 observation(s) (Report #: GFSSBH 004-453a).

Associated Organizations & Subcontractors:

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

Description of the Supply Chain:

From December 2022 to December 2023, Billion Solaris purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Pesona Majukaya Sdn. Bhd.	SFMLA 01/2018	Round log	Serudong	GFS 163 LVS (02/07/2024)	Low
Rakyat Berjaya Sdn. Bhd. (Mega Wakid Sdn. Bhd./Askera Sdn. Bhd.)	SFMLA 09/97	Round log	Kalabakan	Non-Compliance	High
Top Quantum Sdn. Bhd.	SFMLA 01/2009	Round log	Serudong	GFS 071 LVS (18/06/2024)	Low
First Greenworld Sdn. Bhd.	SFMLA 02/2009	Round log	Serudong	GFS 074 LVS (18/06/2024)	Low
Rakyat Berjaya Sdn. Bhd. (Kinetic Journey Sdn. Bhd.)	SFMLA 09/97	Round log	Tongod	GFS 130 LVS (03/09/2024)	Low
Rakyat Berjaya Sdn. Bhd. (FMU 25)	SFMLA 09/97	Round log	Serudong	Non-Compliance	High
Rakyat Berjaya Sdn. Bhd. (Terus Jadi Sdn. Bhd./Kinsasynergy Sdn. Bhd.)	SFMLA 09/97	Round log	Kalabakan	GFS 178 LVS (23/04/2024)	Low
Benta Wawasan Sdn. Bhd. (Golden Borneo Palm Sdn. Bhd.)	JP(TKA)122/96(CO)	Round log	Kalabakan	Non-Compliance	High
Rakyat Berjaya Sdn. Bhd. (Usahawan Borneo Greenwood Sdn. Bhd.)	SFMLA 09/97	Round log	Kalabakan	GFS 096 LVS (23/07/2024)	Low
Rakyat Berjaya Sdn. Bhd. (Hormat Jadi Sdn. Bhd.)	SFMLA 09/97	Round log	Kalabakan	-	High

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

Summary Results:

(Major gap = 0, Minor gap = 2, Observation = 2)

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.1.2 5.2.6	New	January 2024: Billion Solaris did not submit Appendix 1, 3 and 7 manual submissions to SFD as required.
002/2024	minor	5.3.2 5.3.7	New	January 2024: Billion Solaris has not conducted work safety training for workers.

*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2024	5.2.2	January 2024: Inconsistent stamping of "Sabah TLAS CC" on the removal pass.
002-2024	5.2.3 5.2.5 5.2.7	January 2024: Incorrect identification of Sabah TLAS status for suppliers' removal pass by SFD.

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

Recommendations
<p>Billion Solaris 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>Gap 001/2024 (minor) – Checklist 5.1.2, 5.2.6: Billion Solaris shall submit Appendix 1, 3, and 7 manual to SFD as required.</p> <p>Gap 002/2024 (minor) – Checklist 5.3.2, 5.3.7: Billion Solaris shall conduct work safety training for workers annually.</p> <p>Observation 001-2024 – Checklist 5.2.2: SFD shall correctly stamp “Sabah TLAS CC” on the removal pass.</p> <p>Observation 002-2024 – Checklist 5.2.3, 5.2.5, 5.2.7: Billion Solaris shall correctly identify Sabah TLAS status on the log arrival book WIP & Finished Goods.</p> <p>The next surveillance visit is scheduled for January 2025.</p>

End of Summary Report