

Sabah TLAS Audit Report

Sabah Legality Standard Principles 1 – 4

Licensee	Licensee: Sanalika Binti Sayau Contractor: Wawasan Jayajuta Sdn. Bhd. (1220019-P)	Reference #	GFSSBH 003-220
Contact Person	Lim Yaw Meng (Wawasan Jayajuta)	Date of Report	29/09/2023
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		Approved By	Dr. Kevin Grace

Statements

Audit Statement	GFS 199 LVS		
Issuance Date	02 October 2023	Expiration Date	01 October 2024

Assessment Details

Assessment Dates	25 – 29 September 2023
Scope of Assessment	Sabah TLAS P1-4: JP(NKG)005/2022(F1)
Species	Shorea inappendiculata (Selangan batu), Neolamarckia cadamba (Laran), Shorea spp. (Red seraya, Yellow seraya, Melapi), Parashorea spp. (White seraya), Dryobalanops spp. (Kapur), Dipterocarp spp. (Keruing), Cotylelobium spp. (Resak), Other Timber (OT)
Lead Assessor	Sandra George
Assessor(s)	Tommy Olui
SFD Staff	Narbert Nasly (DFO Keningau), Mohammad Asraf (ADFO Keningau), Peter Abdullah (KPPM Keningau)

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 November 2020 (**SFD-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:

- The licensed area is a "Temporary Occupation License" (TOL) awarded by the Lands & Resources Department under the Sabah Chief Minister's Office [JKN.PHB.700-2/468(44)] to Sanalika Binti Sayau for logging.
- Since the tenure is short-term and temporary, the Sabah Forestry Department (SFD) issued an approval (JPHTN/FRM 700-2/3/138/12 dated 22/05/2023) to harvest the area for 2 years under the Form 1 license, which expires 11/10/2025.
- The harvesting is a non-RIL system (salvage logging for conversion to agriculture).
- The Form 1 licensed area is parcelled out into 4 blocks (Block A: 59.127 ha, Block B: 76.908 ha, Block C: 62.885 ha and Block D: 64.080 ha) located within State Land (land title #: TOL 13900092) adjacent to Class II Kuala Tomani Forest Reserve and Class I Sungai Talankai Forest Reserve, with a total area of 263 hectares.
- The licensed area is under the jurisdiction of the Keningau District Forestry Office.
- Wawasan Jayajuta Sdn. Bhd. (Wawasan Jayajuta) was appointed as a contractor to carry out the salvage logging and is registered with the SFD.

Logging Contractor	Wawasan Jayajuta Sdn. Bhd.
SFD Contractor Registration	KON(NKG)007/2023(KM)
Expiry Date	06/06/2024

Current Operations:

- Salvage logging by Wawasan Jayajuta started in July 2023 is focusing on Block A.
- As of September 2023, the total logged area in Block A is 57 hectares, with a total log production of 1,430.93 m³.
- There are no NFM areas inside the licensed area.
- Land use classification:

Land classification	Form 1 Area (ha)	Current Status (ha)
Total Form 1 Concession Area	263	263
Production Area	263	263
Form 1	Block A = 59.127 ha Block B = 76.908 ha Block C = 62.885 ha Block D = 64.080 ha	Block A: Logged area = 57.000 ha Unlogged area = 2.127 ha Total volume = 1,430.93 m ³
Protected Area	Steep area = 18.05 ha	Steep area = 18.05 ha

Environmental Context:

- The topography pattern of the project area is hilly and undulating with an elevation between 493 m to 904 m.
- The project area is still covered by a secondary forest, with the main vegetation type being Mixed Dipterocarp Forest with tree species of the Dipterocarp family forming the dominant vegetation that provides the main forest structure and largely contributes to the number of stems and basal area. The area had undergone at least one logging cycle, as old tree stumps and remnants of abandoned forest roads were identified.
- Some Dipterocarp species were identified, including *Parashorea malaanonan* (Urat mata), *Shorea johorensis* (Seraya majau) and *Shorea parvifolia* (Seraya merah).
- Wildlife habitat within the project area is considered poor due to the adverse effects of logging in the past, vulnerable to hunting and trapping by outsiders, poorly managed and the existence of palm oil plantation development near the project area. Only several wild boars were sighted within the area.
- Soils in area are Crocker Formation, comprised of grey sandstones interbedded with grey and red mudstones of various thicknesses.
- There is only one (1) main river, Sungai Dalit, which flows across the middle of the project area from south to north.

- Proposal Mitigation Measures (PMM) was conducted and approved by Environment Protection Department (EPD).

#	Title	EPD Approval Letter #	PMM Consultant
1	Proposed Logging Operation of Approximately 263.0 Hectares under Temporary Occupation Licence for PT. 20-21130258 at Kg. Malaing, Sook, Keningau, Sabah	JPAS/PP/SOOK/600-1/01/1/337(24) dated 25/04/2023	Ekohandal Sdn. Bhd.

Social Context:

- There is no local human settlement within the project area, around 3 km radius from the licensed boundary. The nearest village area, Kg. Malaing, is located 5.2 km northeast.

Scope of Assessment

- The scope of the evaluation is to verify compliance of Sanalika Binti Sayau (Wawasan Jayajuta Sdn. Bhd.) under the **Form 1 License #: JP(NKG)005/2022(F1)** for **TOL #: 13900092**.
- The assessment is in accordance on the terms of the agreement for the “Sabah Legality Standard Principles 1 - 4 dated November 2020 (**SFD-TLAS-002**).
- Site evaluation to verify and report the level of compliance by **Sanalika Binti Sayau** and contractors 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 1: Sanalika Binti Sayau (Wawasan Jayajuta Sdn. Bhd.) / Close-out: TSH Resources Berhad / Keningau District / 25 – 29 September 2023 (Total Mandays = 13)

Date	Activity	GFS Staff	Mandays
25 September 2023 Monday	Travel to PPD Keningau and opening meeting. Document review at PPD Keningau and overnight at Keningau. Close-out: Requesting information for TSH Resources Berhad.	Sandra George Tommy Olui	2
26 September 2023 Tuesday	Field assessment to Sanalika Binti Sayau operation area. Compiling report.	Sandra George Tommy Olui	2
27 September 2023 Wednesday	Document review at PPD Keningau and Wawasan Jayajuta's Office. Compiling report.	Sandra George Tommy Olui	2
28 September 2023 Thursday	Maulidur Rasul – Public Holiday Overnight at Keningau.	Sandra George Tommy Olui	2
29 September 2023 Friday	Finalizing report and closing meeting at PPD Keningau. Close-out: TSH Resources Berhad. Travel to home base.	Sandra George Tommy Olui	2
30 September – 01 October 2023	Reporting GFSSBH 003-220 Reporting GFSSBH 003-209a	Dr. Kevin Grace Sandra George	3
Total			13

Highlights of Assessment

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

Sanalika Binti Sayau (Wawasan Jayajuta Sdn. Bhd.) has complied with the Sabah Legality Standard (**SFD-TLAS-002**) as no non-compliance was identified during the assessment on 25 – 29 September 2023.

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

Principle 1.

Sanalika Binti Sayau has an approved Form 1 license, valid until 11/10/2025 and has developed a PMM study for the TOL area (JPAS/PP/SOOK/600-1/01/1/337(24) dated 25/04/2023). The scope of the current approved Form 1 license from the SFD covers a total area of 263 hectares.

Highlights of Assessment

Salvage logging started in July 2023 in Block A & has completed 57 ha. The ECR is submitted for October 2023 by the EPD consultant.

Principle 2.

Sanalika Binti Sayau demonstrated compliance with the demarcation of common boundaries. There is no evidence of logging operations outside the license area and Sanalika Binti Sayau complies with the timber transportation regulated under the SFD.

All workers are legally employed, and the forest workers' safety and fire control training was conducted.

Principle 3.

Sanalika Binti Sayau has paid the licensing fees and other charges to the SFD as required.

Principle 4.

There is no local human settlement associated with the project area. The nearest village area, Kg. Malaing, is located 5.2 km northeast.

Summary Results:

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

Gap raised against indicators & criteria during the September 2023 assessment.

GAP	Type	Checklist	Status	Description
-	-	-	-	-

Observation raised against indicators & criteria during the September 2023 assessment.

Obs #	Checklist	Description
-	-	-

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

Recommendations

Sanalika Binti Sayau (Wawasan Jayajuta Sdn. Bhd.) 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.

The next annual surveillance audit will be scheduled for September 2024.

End of Summary Report