

Sabah TLAS Audit Report

Sabah Legality Standard Principles 1 – 4

Licensee	Licensee: Dusi Bin Ginso & 10 Peserta Contractor: Kinsasynergy Sdn. Bhd. (1230673-U)	Reference #	GFSSBH 003-119
Contact Person	Mark Koh Chong Yin (Director) Iswadi Bin Ismail (Supervisor)	Date of Report	18/03/2022
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		Approved By	Dr. Kevin Grace

Statements			
Audit Statement	GFS 172 LVS		
Issuance Date	21 March 2022	Expiration Date	20 March 2023

Assessment Details	
Assessment Dates	14 - 18 March 2022
Scope of Assessment	TLAS P1-4: JP(DPS)004/2020(F1)
Species	Mixed species
Lead Assessor	Priera Bagang
Assessor(s)	Ivy Justin, Varenus V Untomon
SFD Staff	Norahmad Jumain (DFO Pitas), Fadzil Moxsin (ADFO Pitas), Unus Ampang (ADFO Pitas), Kinidih Ludin (ADFO Pitas), Raymund Kimlau (PPM Paitan/Sugut/Melinsau), Erik Micheal (PPM Paitan/Sugut/Melinsau)

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:

- The State Government of Sabah, through the Land and Survey Department, has approved the Dusi Bin Ginso & 10 Peserta to extract logs inside the TOL No. 08901275 which is alienated land comprised of 161.10 ha. The Sabah Forestry Department (SFD) issued a Form 1 logging license to harvest the area for 1 year, which will cease on 25/08/2022.
- The licensed area is under the jurisdiction of the Pitas District Forestry Office harvested based on salvage logging by Kinsasynergy Sdn. Bhd. (Kinsasynergy) registered with the SFD KON(DPS)001/2022(KM).
- Land use classification:

Land classification	Form 1 area (ha)	Current Status as of February 2022 (ha)
Total licensed area	161.6	161.6
Production Area	142.7	Logged area: 32.0 ha Unlogged area: 86.1 ha Total production to date: 434.84 m ³

Environmental Context:

- The area is logged over mixed highland dipterocarp forest consisting of Dipterocarps such as Urat mata beludu, Seraya putih, Seraya kuning, Seraya merah, Keruing and Oba suluk, Laran, Pelawan-Pelawan, Mempening, Medang, Keranji, Magas, Rengas, etc.
- The southern area borders Lingkabau Class II Forest Reserve (Timberwell Berhad).
- The major soil type is the acidic and nutrient-poor Orthic acrisols.
- Sg. Lingkabau flows from the west to the east part of the project site. Terrestrial mammals commonly sighted are Sambar deer, Borneon yellow muntjac, Bearded pig, Malay civet, Common palm civet, and Long-tailed macaque.
- The Propose Mitigation Measure (PPM) was conducted and approved by the Environment Protection Department (EPD).

#	Title	EPD Approval Letter #	EIA Consultant
1	The Proposed Logging Activities On Lot TOL.08901275 (PT.86082109) [161.6 Hectares] At Ulu Lingkabau Sugut, Beluran.	JPAS/PP/BLN/600-1/01/1/314(34) dated 15/11/2021	Lakimson Sdn. Bhd.

Social Context:

- There is no human settlement within the project site. There is only one village, Kg. Tagapalang which is located 5 km from the northeast boundary of the project site.

Scope of Assessment

- The scope of the evaluation is to verify compliance **Dusi Bin Ginso & 10 Peserta (Kinsasynergy Sdn. Bhd.)** with the **Form 1 License No. JP(DPS)004/2020(F1)** for **TOL No. 08901275**.
- 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 **Dusi Bin Ginso & 10 Peserta (Kinsasynergy Sdn. Bhd.)** 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 License No. JP(DPS)004/2020(F1) / Dusi Bin Ginso & 10 Peserta (Kinsasynergy Sdn. Bhd.) / Pitas 14 - 18 March 2022 (Total Mandays = 19)

Date	Activity	GFS Staff	Mandays
14 March 2022 Monday	Travel to SFD Pitas and opening meetings for Dusi Bin Ginso & 10 Peserta and initial document review.	Priera Bagang, Varenius Untomon, Ivy Justin	3
15 March 2022 Tuesday	Field visit to Dusi Bin Ginso & 10 Peserta licensed area.	Priera Bagang, Varenius Untomon, Ivy Justin	3
16 March 2022 Wednesday	Opening meeting and field visit to Rakyat Berjaya (Waygood Enterprise) licensed area.	Priera Bagang, Varenius Untomon, Ivy Justin	3
17 March 2022 Thursday	Document review for Rakyat Berjaya at SFD Pitas.	Priera Bagang, Varenius Untomon, Ivy Justin	3
18 March 2022 Friday	Closing meeting at SFD Pitas.	Priera Bagang, Varenius Untomon, Ivy Justin	3
19 - 20 March 2022	Reporting GFSSBH 003-119 Reporting GFSSBH 003-120	Dr. Kevin Grace, Priera Bagang	4
Total			19

Highlights of Assessment

(Major Gaps = 0; Minor Gaps = 3; Observations = 0)

Dusi Bin Ginso & 10 Peserta (Kinsasynergy Sdn. Bhd.) has complied with the Sabah Legality Standard (**SFD-TLAS-002**) as no non-compliance was identified during the assessment on 14 – 18 March 2022.

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

Principle 1.

Dusi Bin Ginso & 10 Peserta (Kinsasynergy Sdn. Bhd.) is compliant with the license requirement. Form 1 license was approved by the SFD and is valid for 1 year, until 25/08/2022. An environmental Proposed Mitigation Measure (PMM) was developed and subsequently approved by the EPD.

March 2022: Gap 001/2022 (Minor) – Checklist 1.2.3

Lack of management of scheduled waste and fire extinguishers in key facilities.

March 2022: Gap 002/2022 (Minor) – Checklist 1.7.3 & 2.1.13

Inadequate identification of buffer zone and lack of protection against disturbance.

Principle 2.

Dusi Bin Ginso & 10 Peserta (Kinsasynergy) is compliant with the forest operation. Common boundaries were painted and identified with signboards. No evidence of unauthorized operation outside the licensed area during the assessment.

March 2022: Gap 003/2022 (Minor) – Checklist 2.3.2 & 2.3.7

There is no evidence that the company conducted training on safety and fire.

Principle 3.

The company has paid all associated fees. As of February 2022, only one batch of logs paid with royalty.

Principle 4.

There is no human settlement within the project site. There is only one village, Kg. Tagapalang which is located 5 km from the northeast boundary of the project site. There is no evidence that the village is directly affected by the forestry operations.

Summary Results:

(Major gap = 0, Minor gap = 3, Observation = 0)

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

GAP	Type	Checklist	Status	Description
001/2022	Minor	1.2.3	New	March 2022: Lack of management of scheduled waste and fire extinguishers in key facilities.
002/2022	Minor	1.7.3 2.1.13	New	March 2022: Inadequate identification of buffer zone and lack of protection against disturbance.
003/2022	Minor	2.3.2 2.3.7	New	March 2022: There is no evidence that the company conducted training on safety and fire.

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

Obs #	Checklist	Description
-	-	-

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

Recommendations
<p>Dusi Bin Ginso & 10 Peserta (Kinsasynergy 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.</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 001/2022 (Minor) – Checklist 1.2.3: Segregate and label schedule waste and provide fire extinguishers for key facilities.</p> <p>Gap 002/2022 (Minor) – Checklist 1.7.3 & 2.1.13: Identify stream buffer zones, re-vegetate disturbed areas and monitor mitigation to prevent siltation.</p> <p>Gap 003/2022 (Minor) – Checklist 2.3.2 & 2.3.7: Conduct training on safety and fire control and maintain records.</p> <p>The next surveillance audit will be scheduled for March 2023.</p>

End of Summary Report