

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Litatt Timber Sdn. Bhd. (850899-A)	Reference #	GFSSBH 004-335
Contact Person	Mook Lan Heong	Assessment Date	13/04/2022
Office Address	Lot 11, Block A-1-11, Lorong 28 Taipan Inanam, 88450 Kota Kinabalu, Sabah, Malaysia.	Date close out	-
Mill Address	-	Telephone	+6019 852 1878 +6012 520 5223
Email	litatt@hotmail.com	Fax	+6088 724 878
		Approved By	Dr. Kevin Grace

Statements			
Audit Statement #	GFS 291 WTP		
Issuance Date	18 April 2022	Expiration Date	17 April 2023

Assessment Details	
Company Type	Trading and importer
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(I)036/2017
Product Group	Plywood
Source of Material	Peninsular Malaysia, Sabah, Malaysia and Vietnam
Species	Mixed species
Lead Assessor	Glory B. Y. Linggou
Assessor(s)	Sandra George
SFD Staff	-

Terms of Assessment
The scope of the evaluation is to verify compliance of the Litatt Timber 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:

Litatt Timber Sdn. Bhd. (Litatt Timber) is registered in Sabah, Malaysia, with registration # 850899-A. The company purchases plywood from Peninsular Malaysia, Vietnam and Sabah and sells it for the local market. The company does not operate a warehouse and products are shipped directly from supplier to buyer.

Associated Organizations & Subcontractors:

Litatt Timber does not engage any subcontractors to produce or manufacture products.

Description of the Supply Chain:

From 2021 to March 2022, Litatt Timber purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Ivory Bay Sdn. Bhd.	FDS(SS)(E)004/2019	Plywood	Sandakan	GFS 250 WTP (15/08/2022)	Low
Kego Company Limited	-	Plywood	Vietnam	-	High
Besgrade Plywood Sdn. Bhd.	-	Plywood	Peninsular Malaysia	-	High
Dai Nam Production and Import Export Joint Stock Company	-	Plywood	Vietnam	-	High

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

Summary Results:

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

GAPs: 2022				
GAP #	Type	Checklist	Status	Description
001/2022	Minor	5.2.4	New	April 2022: There is no evidence of a documented Chain of Custody (CoC) system for compliance with Sabah TLAS requirements for import and trading activities.
002/2022	Minor	6.2.4	New	April 2022: The company did not conduct a risk assessment for their suppliers and import products.

*Major = Non-Compliance

Observations: 2022		
Obs #	Checklist	Description
-	-	-

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

Recommendations
<p>Litatt Timber 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 001/2022 (Minor) – Checklist 5.2.4: The company shall establish a Chain of Custody system to support compliance with Sabah TLAS requirements.</p> <p>Gap 002/2022 (Minor) – Checklist 6.2.4: The company shall conduct the risk assessment for their suppliers and import products.</p> <p>The next surveillance visit is scheduled for April 2023.</p>

End of Summary Report