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## IASB® meeting

Date	<b>April 2023</b>
Project	<b>Dynamic Risk Management (DRM)</b>
Topic	<b>Cover Note</b>
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## Purpose of this meeting

1. At this month's meeting, the staff will present the following agenda papers:
  - (a) Agenda Paper 4A *Summary of tentative decisions and glossary of defined terms*;
  - (b) Agenda Paper 4B *Risk mitigation intention and the construction of the benchmark derivatives*; and
  - (c) Agenda Paper 4C *Further considerations on the current net open risk position (CNOP)*.
2. Agenda Paper 4A provides an update on the DRM project based on the proposed project plan the IASB discussed in July 2022; summarises the tentative decisions taken by the IASB to date that are relevant to the refined DRM model; and identifies the areas that are still subject to IASB's deliberation. It includes an appendix with a glossary of the defined terms. This paper does not ask for decisions from the IASB.
3. In Agenda Paper 4B, we ask the IASB to make tentative decisions on how an entity identifies the managed risk and how an entity constructs the benchmark derivatives,

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particularly with respect to the relevant input factors such as the notional, tenor, reset terms, benchmark interest rate etc. to ensure consistent application of the DRM model. In addition, we also ask the IASB to confirm previous tentative decisions on how an entity evidences its risk mitigation intention; and for the purposes of the prospective assessment, that the repricing time periods of the available risk to be mitigated is aligned with an entity's risk management strategy.

4. In Agenda Paper 4C, we ask the IASB to make tentative decisions on refining the qualifying criteria for the inclusion of future transactions in the current net open risk position.