

PUBLIC POLICY ISSUE BRIEF

The Pivotal Role of Internal Audit in Artificial Intelligence

Overview: As organizations across sectors adopt artificial intelligence (AI), it is evident that a coordinated legal and regulatory framework for this emerging technology is required. Policy conversations related to AI in Canada have centered on the importance of AI's legal, technological, and societal implications. While these subjects are certainly foundational to AI, The IIA Canada believes that a comprehensive approach to AI and robust organizational governance also serves a critical role in protecting the Canadian public from potential AI-related hazards.

Role of Internal Audit

An internal audit function, adhering to The IIA's [*Global Internal Audit Standards*](#)[™], provides **independent, risk-based, and objective** assurance over AI-related risk, governance, and internal control processes.

Since internal audit is independent from management – and reports directly to the organization's governing body – it is well-positioned to monitor AI compliance and the technology's impacts. This role advances core public protections designed to promote **transparency** and **accountability** in the use of emerging technologies.



IIA Key Objectives

Recognize the Significance of AI Risk: The IIA supports a greater policy emphasis concerning the need for appropriate risk management and governance processes related to implementing and using AI in business processes.

Strengthen Internal AI Oversight: Require internal audit-led assurance processes for evaluating an organization's AI-related internal controls and governance structures. The presence of this qualified internal audit function will strengthen independent oversight efforts and increase public confidence.

Leverage Internal Audit Expertise in Standards Setting: Since internal audit monitors the effectiveness of internal controls and risk management related to AI implementation and usage, The IIA encourages Canadian policymakers to utilize the profession's knowledge in the development of appropriate AI governance standards.

IIA Artificial Intelligence Resources

The following link provides additional information regarding the intersection between AI and internal audit:

- [IIA Artificial Intelligence Knowledge Center](#)

For any questions regarding the internal audit profession, please contact Ryan Singh, Director, Advocacy (Canada), at Ryan.Singh@TheIIA.org.