

LATIN AMERICA | 2026

Risk in Focus

This Board Briefing is a summary of the Latin America Risk in Focus 2026 report, available at theiia.org/RiskInFocus



Fundación Latinoamericana
de Auditores Internos



Internal Audit
FOUNDATION

About Risk in Focus

Know Your Risks. Plan Strategically.

01

An annual initiative to identify the world's five highest risks

02

Based on survey results, roundtables, and interviews with chief audit executives and directors

03

Research facilitated by the Internal Audit Foundation and partners*



*Europe Risk in Focus reports are produced by the European Confederation of Institutes of Internal Auditing (ECIIA)



AFRICA



ASIA
PACIFIC



EUROPE



LATIN
AMERICA



MIDDLE
EAST



NORTH
AMERICA

Download Risk in Focus reports for:

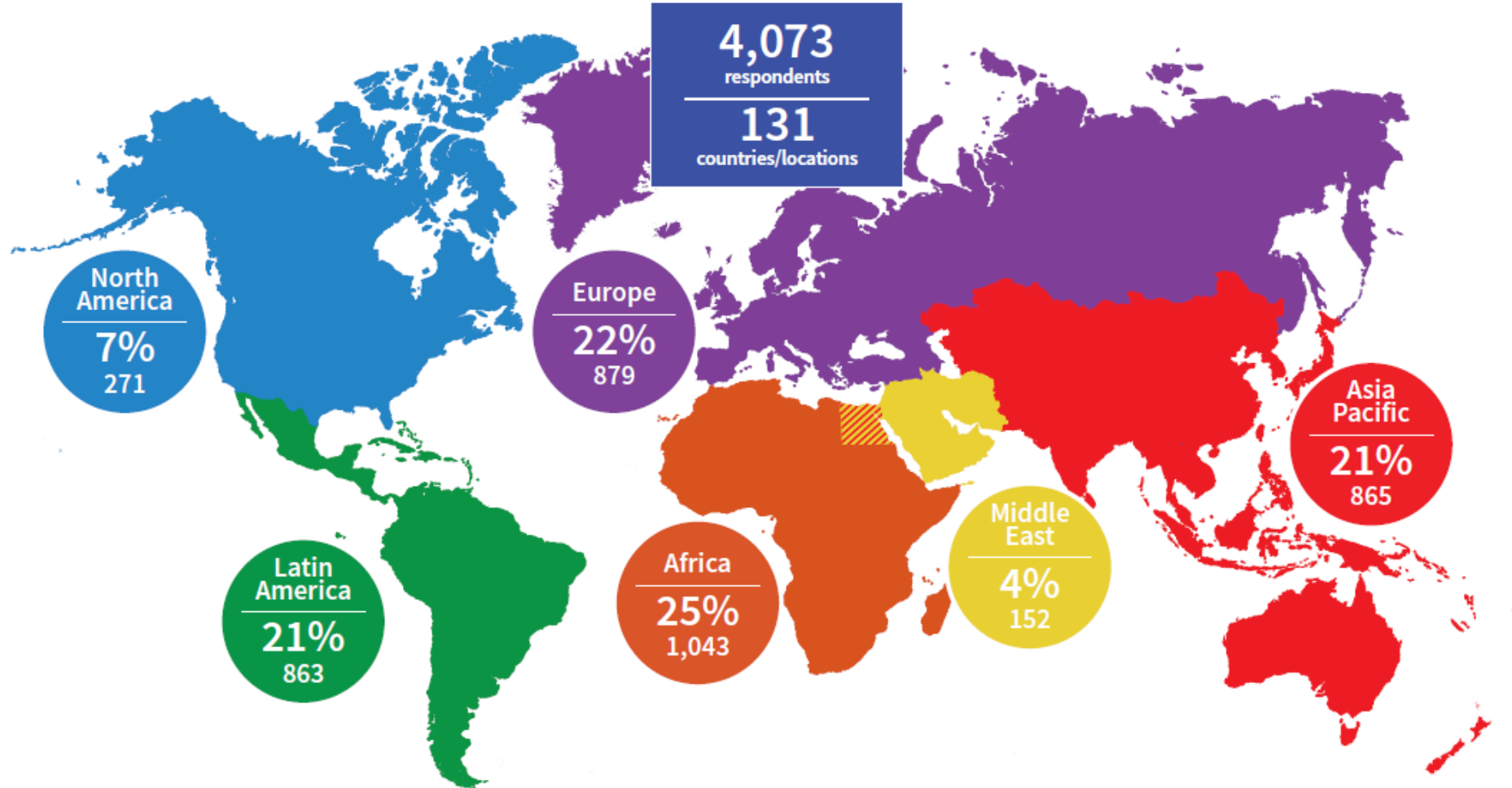
- Africa
- Asia Pacific
- Europe
- Latin America
- Middle East
- North America
- Global Summary



theiia.org/RiskInFocus

Global Survey Participation

Response rate per region

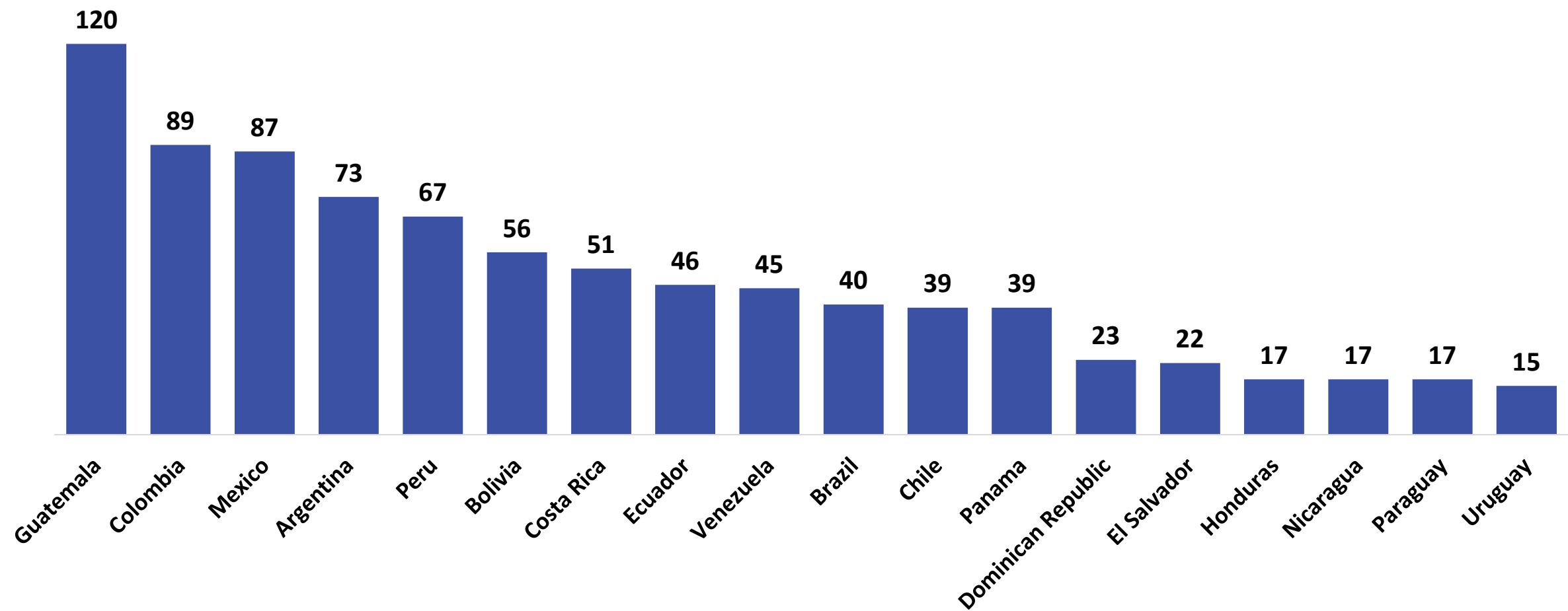


- **4,073** responses from chief audit executives and directors
- **131** countries/locations represented
- Survey conducted **April 28 to June 6, 2025**



Latin America Survey Participation

Response rate per country/location



Latin America's Risk Environment

Trends and relationships between risks



Survey Questions and Risk Areas

The survey focused on 16 risk areas and 2 key questions



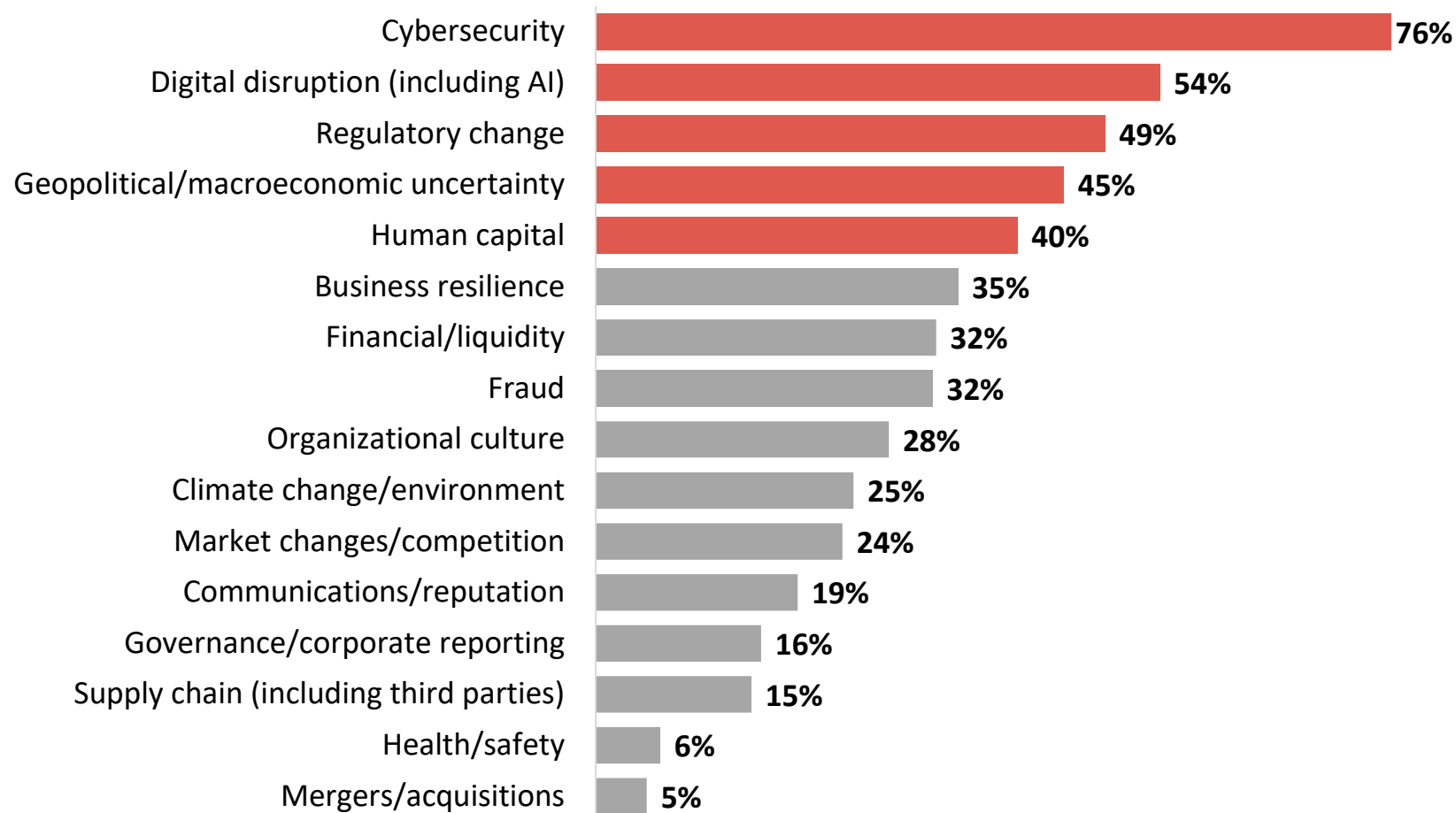
Key Questions:

- What are the Top 5 risks your organization faces?
- What are the Top 5 areas on which internal audit spends the most time and effort?

Risk Areas in the Survey			
1	Business continuity	9	Governance/corporate reporting
2	Climate change	10	Health/safety
3	Communications/reputation	11	Human capital
4	Cybersecurity	12	Market changes/competition
5	Digital disruption (including AI)	13	Mergers/acquisitions
6	Financial liquidity	14	Organizational culture
7	Fraud	15	Regulatory change
8	Geopolitical uncertainty	16	Supply chain (including third parties)

Latin America – Highest Risks

Survey question: What are the Top 5 risks your organization currently faces?



- 76% of Latin American CAEs and directors rated **cybersecurity** as one of their five highest risks.
- More than half said **digital disruption** was a high risk, making it the second highest overall.

Global vs. Regions – Highest Risks

Survey question: What are the Top 5 risks your organization currently faces?

Risk area	Average of the regions	Africa	Asia Pacific	Europe	Latin America	Middle East	North America
Cybersecurity	73%	62%	62%	82%	76%	72%	86%
Digital disruption (including AI)	48%	44%	39%	47%	54%	50%	53%
Business resilience	47%	49%	58%	39%	35%	58%	46%
Human capital	43%	35%	56%	48%	40%	38%	42%
Regulatory change	41%	34%	38%	45%	49%	28%	51%
Geopolitical/macroeconomic uncertainty	38%	27%	35%	45%	45%	29%	45%
Financial/liquidity	31%	43%	19%	27%	32%	38%	27%
Market changes/competition	31%	19%	49%	32%	24%	29%	34%
Governance/corporate reporting	24%	33%	23%	20%	16%	38%	15%
Organizational culture	24%	29%	21%	19%	28%	26%	20%
Supply chain (including third parties)	24%	17%	28%	29%	15%	23%	30%
Fraud	23%	43%	20%	16%	32%	19%	11%
Communications/reputation	19%	25%	19%	12%	19%	19%	18%
Climate change/environment	18%	24%	17%	23%	25%	13%	7%
Health/safety	10%	11%	11%	12%	6%	11%	8%
Mergers/acquisitions	5%	3%	6%	5%	5%	6%	7%

■ Highest risks per region

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

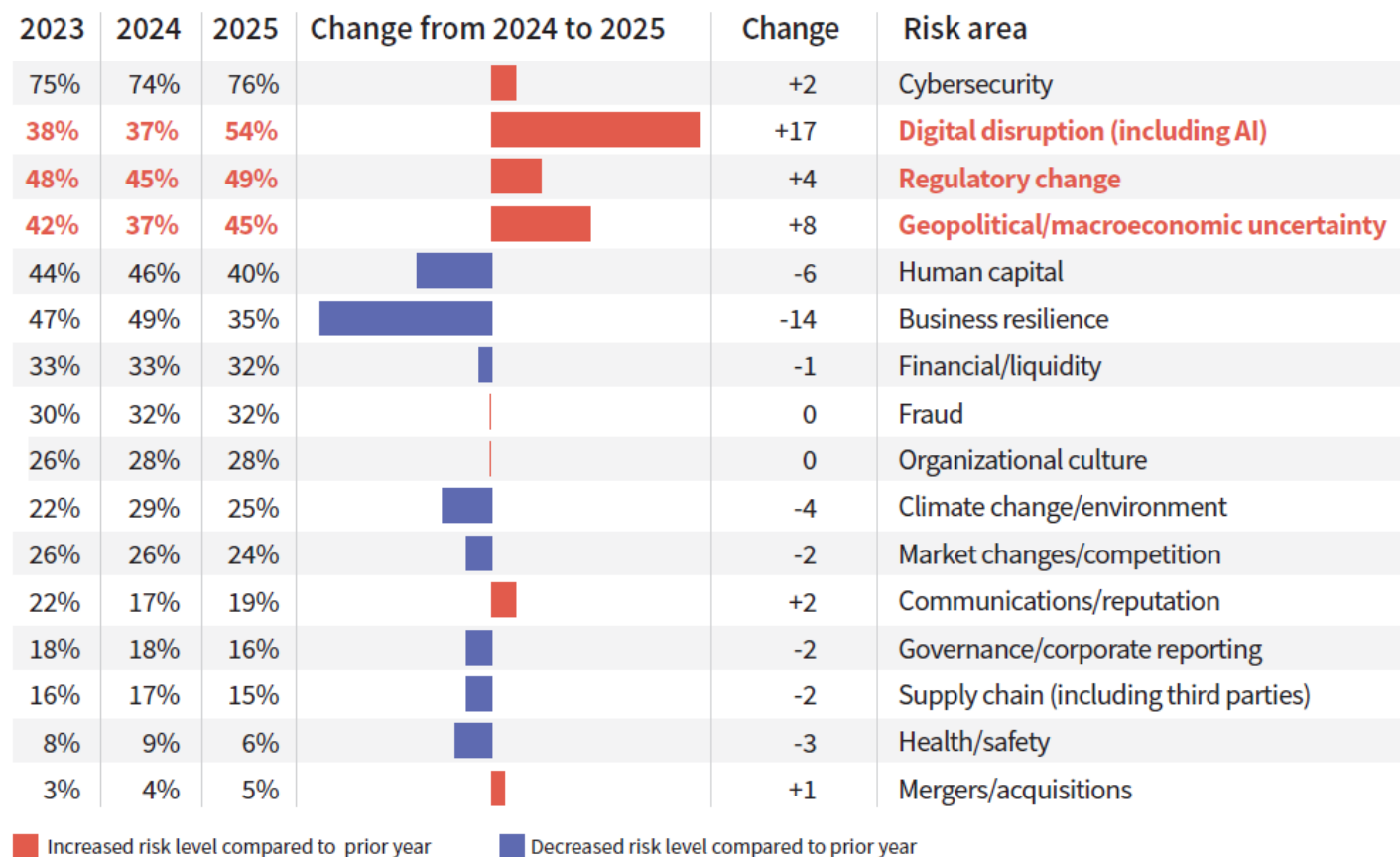
Note 1: The global average is calculated by summing the average from each region and dividing by the number of regions.

Note 2: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$ for global.

- Latin America ranked **digital disruption** risk higher than any other region.
- Latin America joined North America and Europe as regions with highest **geopolitical uncertainty** risk.
- Latin America and Europe ranked risk for **business resilience** lower than the global average.

Latin America – Risk Level Trend

Survey question: What are the Top 5 risks your organization currently faces?



Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 863$ for Latin America.

Note 2: The orange and blue bars show the difference in risk level ratings from 2024 to 2025. The column labeled "change" shows the percentage point difference between 2024 and 2025. The areas are listed from the highest to lowest risk level rating for 2025. The years indicate the year the survey was conducted.

- **Digital disruption** risk vaulted into second place with a 17-percentage point increase.
- **Geopolitical uncertainty** risk rose 8 percentage points, while **regulatory change** increased 4 percentage points.
- Rising risks pushed two risks lower in the ranking – **human capital** and **business resilience**.

Latin America – Highest Risks per Industry

Survey question: What are the Top 5 risks your organization currently faces?

Risk area	All	Financial services	Public sector (government)	Manufacturing	Mining/energy/water	Agriculture/forestry/fishing	Wholesale and retail	Administrative/support services	Professional/technical	Education	Transport/storage
Cybersecurity	76%	85%	54%	78%	77%	67%	74%	67%	76%	83%	89%
Digital disruption (including AI)	54%	67%	42%	51%	44%	31%	39%	50%	68%	70%	39%
Regulatory change	49%	53%	55%	36%	44%	33%	32%	44%	62%	53%	46%
Geopolitical/macroeconomic uncertainty	45%	50%	29%	46%	40%	49%	47%	36%	32%	57%	43%
Human capital	40%	36%	56%	44%	34%	44%	47%	28%	32%	30%	61%
Business resilience	35%	34%	18%	39%	45%	36%	37%	39%	44%	13%	43%
Financial/liquidity	32%	37%	34%	26%	23%	21%	34%	42%	21%	43%	25%
Fraud	32%	35%	39%	21%	24%	36%	13%	58%	38%	30%	36%
Organizational culture	28%	20%	54%	28%	21%	18%	39%	33%	15%	43%	29%
Climate change/environment	25%	19%	16%	38%	42%	67%	16%	17%	24%	7%	14%
Market changes/competition	24%	27%	9%	33%	11%	26%	32%	14%	26%	37%	21%
Communications/reputation	19%	12%	35%	9%	16%	13%	21%	33%	26%	10%	18%
Governance/corporate reporting	16%	12%	30%	13%	19%	18%	11%	19%	21%	17%	14%
Supply chain (including third parties)	15%	9%	4%	24%	37%	21%	39%	11%	12%	3%	11%
Health/safety	6%	1%	12%	9%	13%	18%	8%	3%	3%	3%	4%
Mergers/acquisitions	5%	3%	9%	6%	10%	5%	11%	6%	0%	0%	7%

■ Highest risks per industry

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. n = 863 for Latin America.

Note 2: Industries with the highest response rates are shown. The column labeled "All" shows the average of all respondents.

- **Cybersecurity** and **digital disruption** risks were high across almost all industries.
- **Regulatory change** risk was low for manufacturing, agriculture, and wholesale/retail.
- **Geopolitical uncertainty** was low for public sector, mining/energy, administrative services, and professional/technical.

Latin America's Audit Priorities

Maintaining essential coverage while
addressing rising risks

Latin America – Highest Audit Priorities

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?



- 69% of Latin American CAEs and directors rated **cybersecurity** as one of their five highest areas for audit time and effort.
- About half had high audit priority for **regulatory change, fraud, financial/liquidity, and governance** risks.

Global vs. Regions – Highest Audit Priorities

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?

Risk area	Average of the regions	Africa	Asia Pacific	Europe	Latin America	Middle East	North America
Cybersecurity	69%	60%	63%	72%	69%	69%	83%
Governance/corporate reporting	55%	51%	55%	58%	48%	64%	53%
Business resilience	53%	54%	57%	50%	40%	59%	60%
Regulatory change	46%	37%	58%	49%	53%	30%	50%
Financial/liquidity	44%	47%	30%	43%	51%	47%	44%
Fraud	40%	49%	42%	37%	51%	30%	30%
Supply chain (including third parties)	33%	31%	32%	39%	24%	35%	37%
Digital disruption (including AI)	32%	30%	25%	29%	30%	36%	43%
Human capital	29%	32%	36%	27%	27%	35%	15%
Organizational culture	23%	26%	23%	21%	29%	19%	19%
Communications/reputation	18%	23%	18%	14%	21%	19%	14%
Market changes/competition	15%	13%	19%	13%	16%	14%	13%
Health/safety	15%	13%	17%	17%	12%	14%	15%
Geopolitical/macroeconomic uncertainty	11%	12%	8%	8%	16%	13%	10%
Climate change/environment	10%	14%	10%	16%	9%	8%	4%
Mergers/acquisitions	5%	3%	4%	5%	6%	4%	7%

■ Highest audit priorities per region

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

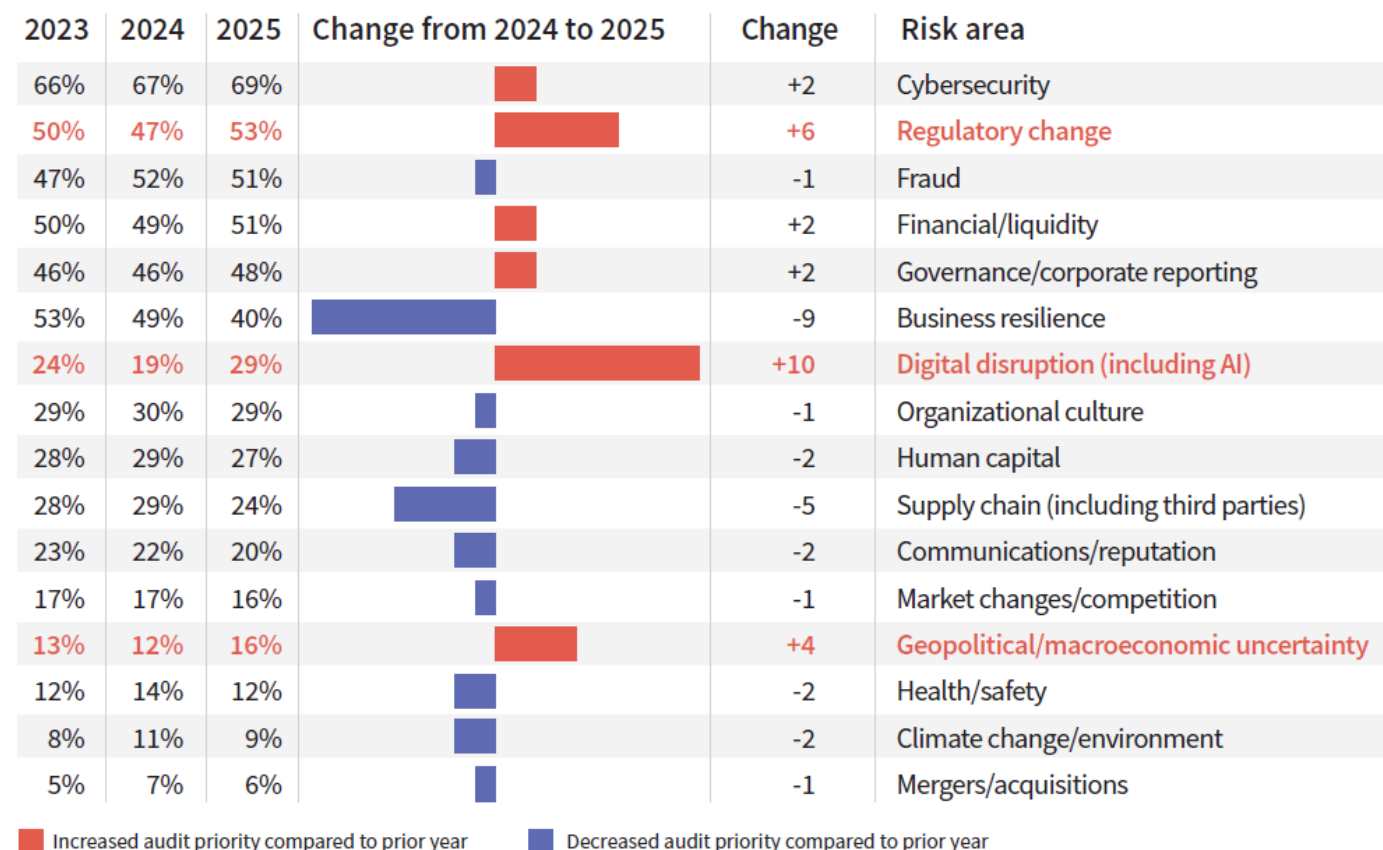
Note 1: The global average is calculated by summing the average from each region and dividing by the number of regions.

Note 2: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 4,073$ for global.

- Latin America ranked audit priority for **fraud** and **financial/liquidity** higher than any other region (51%).
- Latin America's **regulatory change** priority was higher than the global average.
- Latin America's **business resilience** priority was lower than any other region (40%).

Latin America – Audit Priority Trend

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?



Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. $n = 863$ for Latin America.

Note 2: The orange and blue bars show the difference in audit priority ratings from 2024 to 2025. The column labeled "change" shows the percentage point difference between 2024 and 2025. The areas are listed from the highest to lowest audit priority rating for 2025. The years indicate the year the survey was conducted.

- **Digital disruption** audit priority surged by 10 percentage points, making it the largest increase of all risks.
- **Regulatory change** priority rose 6 percentage points, with **geopolitical uncertainty** rising 4 percentage points.
- The shift in priorities moved effort away from **business resilience** and **supply chain**.

Latin America – Risk vs. Audit Priorities

Highest risks compared to highest priorities for internal audit time and effort



Note: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. n = 863 for Latin America.

- Risk and audit priority matched closely for **cybersecurity** and **regulatory change**.
- Despite increases in effort for **digital disruption** and **geopolitical uncertainty**, their risk rankings were substantially higher than their audit priority.



Balancing Risk and Audit Priority

Direct and indirect responses to geopolitical uncertainty

- **Geopolitical uncertainty** may not be ranked as a Top 5 audit priority for most organizations, but internal auditors in Latin America are still effectively addressing the risk in direct and indirect ways.
- **In direct response** to geopolitical risk, internal auditors are monitoring developments, updating risk assessments, collaborating with other risk managers, and participating in scenario planning.
- **Indirectly**, internal auditors are monitoring geopolitical impacts on regulatory change, finances and liquidity, business resilience, and supply chain.

Latin America – Highest Audit Priorities per Industry

Survey question: What are the Top 5 audit areas on which internal audit spends the most time and effort?

Audit area	All	Financial services	Public sector (government)	Manufacturing	Mining/energy/water	Agriculture/forestry/fishing	Wholesale and retail	Administrative/support services	Professional/technical	Education	Transport/storage
Cybersecurity	69%	82%	46%	61%	76%	62%	55%	61%	74%	63%	71%
Regulatory change	53%	65%	60%	47%	32%	31%	45%	44%	56%	63%	36%
Fraud	51%	48%	47%	59%	65%	59%	61%	61%	59%	40%	64%
Financial/liquidity	51%	63%	43%	39%	39%	46%	42%	56%	59%	57%	39%
Governance/corporate reporting	48%	47%	56%	42%	35%	51%	53%	44%	38%	73%	43%
Business resilience	40%	45%	19%	47%	44%	59%	45%	42%	41%	23%	36%
Digital disruption (including AI)	29%	36%	32%	28%	19%	18%	24%	22%	18%	30%	18%
Organizational culture	29%	23%	49%	21%	19%	23%	34%	36%	18%	47%	29%
Human capital	27%	19%	45%	27%	24%	28%	11%	36%	24%	20%	29%
Supply chain (including third parties)	24%	13%	8%	46%	47%	38%	42%	17%	24%	7%	32%
Communications/reputation	20%	15%	34%	13%	13%	5%	29%	25%	29%	33%	32%
Market changes/competition	16%	18%	5%	15%	13%	18%	21%	14%	26%	17%	14%
Geopolitical/macroeconomic uncertainty	16%	14%	26%	13%	18%	18%	8%	8%	18%	10%	11%
Health/safety	12%	2%	12%	20%	27%	15%	21%	11%	9%	10%	25%
Climate change/environment	9%	5%	8%	12%	23%	21%	3%	11%	6%	3%	11%
Mergers/acquisitions	6%	2%	12%	9%	6%	8%	8%	11%	3%	3%	11%

■ Highest audit priorities per industry

■ If there is a tie for the fifth highest percentage, the tied percentages are highlighted in a lighter color

Note 1: Risk in Focus survey conducted online from April 28 to June 6, 2025, by the Internal Audit Foundation and partners. n = 863 for Latin America.

Note 2: Industries with the highest response rates are shown. The column labeled "All" shows the average of all respondents.

- **Cybersecurity, regulatory change, and fraud** are high audit priorities across most industries.
- The public sector and education have substantially lower priority for **business resilience**.
- **Regulatory change** priority is substantially lower for mining/energy and agriculture.


Strategies for Latin America's Rising Risks

A closer look at geopolitical uncertainty and digital disruption (including AI)



Geopolitical Uncertainty

Audit strategies and leading practices for Latin America

- Increase meetings with executive management and other risk leaders.
 - Update risk assessments and matrices and keep governing bodies updated on changes.
 - Break down geopolitical risks into separate components and develop actionable steps.
 - Provide advisory services that keep leaders informed and ready to proactively diminish risk impacts.
 - Monitor interest rates as a key factor in financial risks.
 - Update or broaden contingency plans.
 - Use risk scenario exercises to help plan for changing risks.
- 



Digital Disruption (Including AI)

Audit strategies and leading practices for Latin America

- Push for stronger governance processes for selecting, evaluating, and implementing AI products.
- Closely monitor digital disruption effects on cybersecurity and fraud.
- Implement new technologies for audit activities, such as AI, chatbots, automation, and real-time risk maps.
- Increase technology skills on staff through training and hiring.
- Learn from peers; for example, review entries to the annual [HackAudit](#) competition, hosted by the Latin American Congress of Internal Audit (CLAI).



Auditing Resources from The IIA

Resources to help internal auditors with emerging risks

Developing a Risk-Based Internal Audit Plan

- This [Global Practice Guide](#) describes how to create and maintain a risk-based audit plan.

Cybersecurity Topical Requirement

- This new [Topical Requirement](#) provides guidance to follow when auditing cybersecurity.

Auditing IT Governance and IT Management

- This [Global Technology Audit Guide](#) (GTAG) from The IIA helps internal auditors:
 - Identify gaps in IT governance.
 - Evaluate alignment with organizational objectives.
 - Provide recommendations to bolster IT oversight and resilience.

Download the Latin America Risk in Focus Report



For more analysis and leading practices, download the complete Latin America Risk in Focus report at:



theiia.org/RiskInFocusLatinAmerica

Acknowledgments

Latin America Research Team



Fundación Latinoamericana
de Auditores Internos

- **Regional liaison**

- Roberto Loo, Executive Director, FLAI (Federación Latinoamericana de Auditores Internos)

- **Roundtable moderators**

- Alan Kato, Brazil, Inter-American Development Bank
- Jorge Badillo, Chile, 2024-25 IIA Global Board Member

- **FLAI board members**

- Renato Trisciuzzi, Chairman
- Geraldine Giachello, Vice Chairman
- Manuel Quezada, Secretary of the Board
- Maritza Barzola, Treasurer
- Francisco Arauz, Past President
- Jim Romero, Director



Internal Audit
FOUNDATION

- **Research lead**

- Deborah Poulalion, Senior Manager, Research and Insights, The IIA

- **Project manager**

- Candace Sacher

- **Writer**

- Robert Perez

- **Graphic designers**

- Sergio Analco, Cathy Watanabe

Internal Audit Foundation Partners

Diamond Partners



Platinum Partners



Gold Partners

- Fundación Latinoamericana de Auditores Internos
- IIA-Houston
- IIA-Japan
- IIA-New York
- IIA-San Francisco

President's Circle (Individual Donors)

- Larry Harrington, CIA, QIAL, CRMA
- Keith Kahl, CIA, CRMA
- Doug Mims, CIA, CRMA
- Stacey Schabel, CIA
- Michael A. Smith, CIA
- Warren Stippich, CIA, CRMA

About The IIA

The Institute of Internal Auditors (IIA) is a nonprofit international professional association that serves more than 265,000 global members and has awarded more than 200,000 Certified Internal Auditor® (CIA®) certifications worldwide. Established in 1941, The IIA is recognized throughout the world as the internal audit profession's leader in standards, certifications, education, research, and technical guidance. For more information, visit theiia.org.

About the Internal Audit Foundation

The Internal Audit Foundation is the preeminent global resource, in strategic partnership with The IIA, dedicated to elevating and empowering the internal audit profession by developing cutting-edge research and programs. The Foundation helps current and future internal auditors stay relevant by building and enhancing their skills and knowledge, ensuring organizations are equipped to create, protect, and sustain long-term value. For more information, visit theiia.org/Foundation.



Copyright

The IIA publishes this document for informational and educational purposes. This material is not intended to provide definitive answers to specific individual circumstances and as such is only intended to be used as a guide. The IIA recommends seeking independent expert advice relating directly to any specific situation. The IIA accepts no responsibility for anyone placing sole reliance on this material.

Copyright © 2025 by the Internal Audit Foundation. All rights reserved. For permission to republish, please contact Copyright@theiia.org.

Global Headquarters
The Institute of Internal Auditors
1035 Greenwood Blvd., Suite 401
Lake Mary, Florida, 32746 USA

Phone: +1-407-937-1111
Fax: +1-407-937-1101
Web: theiia.org/Foundation



Internal Audit
FOUNDATION