

A hand reaching out to touch a digital interface with blue light rays.

AI assessments: enhancing confidence in the use of AI.

Effective assessments of artificial intelligence can support strong governance, compliance and performance

About ACCA.

We are ACCA (the Association of Chartered Certified Accountants), a globally recognised professional accountancy body providing qualifications and advancing standards in accountancy worldwide.

Founded in 1904 to widen access to the accountancy profession, we've long championed inclusion and today proudly support a diverse community of over **252,500** members and **526,000** future members in **180** countries.

Our forward-looking qualifications, continuous learning and insights are respected and valued by employers in every sector. They equip individuals with the business and finance expertise and ethical judgment to create, protect, and report the sustainable value delivered by organisations and economies.

Guided by our purpose and values, our vision is to develop the accountancy profession the world needs. Partnering with policymakers, standard setters, the donor community, educators and other accountancy bodies, we're strengthening and building a profession that drives a sustainable future for all.

Find out more at **accaglobal.com**

About EY.

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow. EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories. All in to shape the future with confidence.

EY refers to the global organization and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws.

For more information about our organization, please visit **ey.com**.

Forewords.



Helen Brand OBE
Chief Executive Officer,
Association of Chartered
Certified Accountants
(ACCA)

As artificial intelligence (AI) scales across the economy, the ability to trust what it says is not just important — it’s vital for the public interest. AI assessments are an important part of this journey to create sustainable, long-term value using AI.

This policy paper explores the role that AI assessments can play. It looks at how they are currently understood, the challenges in developing robust assessments, and the key elements needed to maximise value from them in the future.

It also highlights key considerations for business leaders and policymakers, including the important role AI assessments can play in enhancing corporate governance and risk management. The value of voluntary assessments in building confidence in AI is also explored, as is the importance of clearly defined purpose and components in assessment frameworks. The paper underlines the value of recognised standards or criteria for conducting assessments.

ACCA is delighted to be collaborating with EY and IFAC on this and hope that the paper acts as a catalyst for discussion among those seeking to develop their views and approach further. ACCA launched its refreshed Global Policy Priorities this year, spanning various areas, including bridging skills gaps and driving sustainable business — and AI assessments relate to these, given the need for upskilling in this area and assessments’ role in driving trust within the AI eco-system.

We see this as a longer-term agenda and look forward to collaborating with policymakers and others in this fascinating and important area.



Marie-Laure Delarue
EY Global Vice Chair –
Assurance

AI is at an inflection point. Business leaders, policymakers, academics and citizens are beginning to unlock AI’s transformational opportunities. At the same time, they are also grappling with how to manage AI’s complexities and considerable risks.

EY teams are at the forefront of efforts to enable successful AI adoption. By conducting rigorous assessments of AI systems, these teams can help to ensure that AI is developed and deployed safely and effectively. In so doing, they can build confidence in AI across businesses, governments and entire societies.

This paper discusses how these AI assessments — whether voluntary or mandatory and if conducted in a careful and independent manner — can play a pivotal role in establishing the foundation of confidence and trust that is essential for businesses, policymakers and citizens to maximise AI’s potential, and minimise its risks across all sectors and geographies.

Effective AI assessments can play an important role in supporting corporate governance, including by determining whether an AI system performs as intended, complies with applicable laws, regulations and standards, and is managed in accordance with internal policies and ethical standards.

We believe that this paper can serve as a positive and valuable contribution for business leaders and policymakers by highlighting the importance of AI governance and the role that AI assessments can play in ensuring that governance over AI systems is tailored, robust and effective.

I would like to thank the professionals at ACCA and IFAC for their collaboration on this report. I look forward to continuing to engage with them and others to support business leaders and policymakers in using AI to help build a future of unrivalled progress and prosperity.

Forewords.



Lee White
Chief Executive
Officer, International
Federation of
Accountants (IFAC)

As professional accountants, our foundation is the delivery of trust. Now, as AI becomes a core part of how businesses operate, our role in creating that trust has never been more important.

AI brings speed, scale and new possibilities. But it also brings complexity. The systems behind AI are often opaque, their decisions hard to trace.

That’s why effective assessments of AI systems matter, and why this report is so timely. It reminds us that this work must be more than performing checklists. AI assessments should be robust, clear and meaningful. They need to be led by professionals with the right skills and ethical foundation.

No matter how advanced the technology becomes, it can’t reflect, question, or ask ‘is this right?’ By contrast, as professional accountants, our job has always been to step back, think critically, and serve the public interest.

Accountants are already equipped to evaluate systems, interpret data, apply consistent frameworks and exercise sound judgement. As AI changes how work is done, we must evolve too, embracing technology but also deepening the human qualities that make our profession essential: scepticism and critical thinking.

Let’s build a future where technology is trusted, and people remain at the heart of progress.

For further information:



Narayanan Vaidyanathan,
Head of Policy Development,
ACCA
narayanan.vaidyanathan@accaglobal.com



Dr. Ansgar Koene,
EY Global AI Ethics and
Regulatory Leader,
Ernst & Young LLP
ansgar.koene1@be.ey.com

Contents.

Executive summary	6
Introduction	8
The current public policy landscape of AI assessments	10
Themes identified in current policy landscape	11
Challenges to the effectiveness of current AI assessments	12
How to make AI assessments more effective	13
What is to be assessed?	13
How to perform the assessment	13
Who performs the assessment?	14
Considerations for business leaders	15
Considerations for policymakers	15
Conclusion	15
Authors and acknowledgements	17
Appendices	18
References	21





Executive summary.

More and more businesses are adopting artificial intelligence (AI) to meet their strategic objectives. This adoption is accelerating transformation across enterprises and unlocking new business opportunities.

As businesses' adoption of AI grows, so does their need to ensure that the AI systems they deploy are safe, reliable and effective. Confidence in AI systems is, therefore, essential so that AI can fulfil its potential for enhancing innovation, productivity and growth.

To build that confidence, many business leaders, policymakers and other stakeholders are using, or are considering using, AI assessments. AI assessments are at times referred to as 'AI audits' or 'AI assurance'. These assessments can help companies build and use AI systems that are well-governed, that comply with any applicable laws and regulations, and that meet the standards of quality that business leaders seek and expect.

This paper identifies and discusses the components of effective AI assessments. It does this by surveying relevant AI assessment frameworks – both voluntary and regulatory – in key jurisdictions where businesses and policymakers are working to build confidence in AI. Our survey identifies three emerging types of AI assessments that companies are using separately or in combination:

- **governance assessments** – to evaluate the internal governance structures surrounding AI systems
- **conformity assessments** – to determine compliance with any applicable laws, regulations and standards
- **performance assessments** – to measure AI systems against predefined quality and performance metrics.

We also identify potential challenges to the effectiveness of these AI assessments, including ambiguous terminology, insufficiently defined subjects of evaluation, methodologies and assessment criteria, and the need for qualified professionals to perform these assessments.

To help meet these challenges and facilitate effective and useful AI assessments, we conclude with several considerations for business leaders and policymakers.

Specifically, we suggest that business leaders consider the following points.

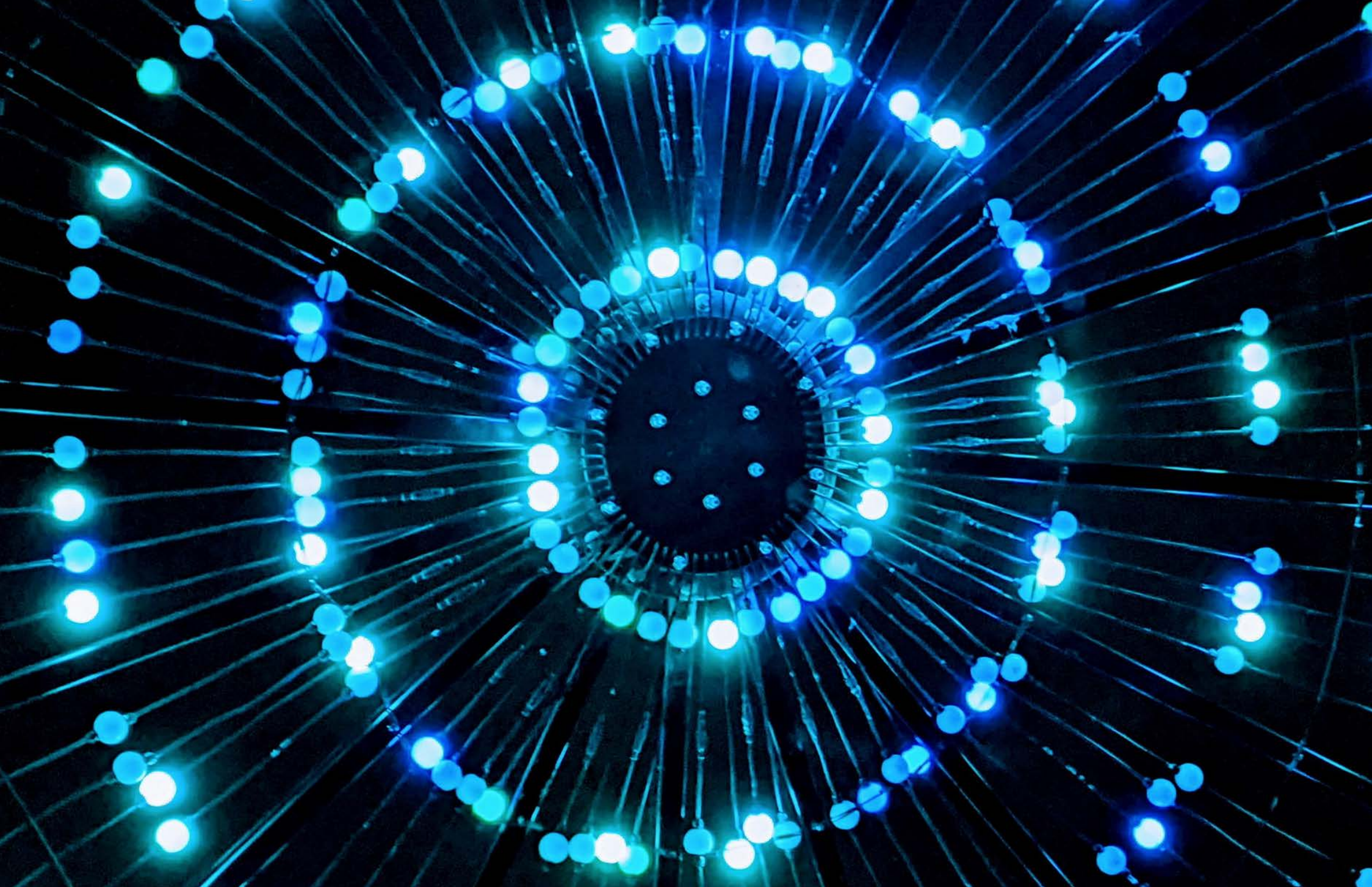
- The role AI assessments can play in enhancing corporate governance and risk management.
- Whether – even in the absence of regulatory requirements – voluntary assessments can build confidence in AI systems among employees and customers.
- Where voluntary assessments are used, what the most appropriate type of assessment (eg governance, compliance or performance assessment) would be and whether it should be conducted internally or by a third party.

‘As businesses’ adoption of AI grows, so does their need to ensure that the AI systems they deploy are safe, reliable and effective.’

For policymakers, we suggest that they take the following action.

- Consider what role voluntary (or mandated) AI assessments can play in building confidence in AI systems, supporting successful adoption and contributing to the governance of AI.
- Clearly define the purpose and components of the assessment framework and, where possible, the recognised standards or criteria by which the assessment should be conducted.
- Address any expectation gaps in what AI assessments entail and their limitations.
- Identify appropriate measures to build the capacity of the market to provide high-quality and consistent assessments.
- Endorse assessment standards that are, to the extent practical, consistent and compatible with standards in other jurisdictions to reduce AI assessment costs and promote cross-border confidence in the credibility of the assessments.





Introduction.

In November 2022, OpenAI released ChatGPT, generating widespread public recognition of AI's existing and potential capabilities, while also raising concerns about risks related to AI's development and deployment.

Since that time, companies, policymakers and others have increased their efforts to address a common and fundamental challenge: how to develop and deploy AI applications that are fit for purpose and trusted by employees, customers, the market and society as a whole.

The development and deployment of AI – including generative AI systems such as ChatGPT and, more recently, agentic AI¹ – will continue to increase, given the significant opportunities AI presents. EY Parthenon, for example, estimates that generative AI alone could boost global gross domestic product (GDP) by anywhere from US\$1.7 trillion to US\$3.4 trillion by 2033 (Daco 2024). But successful adoption depends on trust and confidence in the technology, particularly considering the rise in harmful incidents related to AI. Indeed, the Organisation for Economic Co-operation and Development (OECD) reports

¹ Agentic AI 'refers to AI systems and models that can act autonomously to achieve goals without the need for constant human guidance. The agentic AI system understands what the goal or vision of the user is and the context to the problem they are trying to solve' (E. Cetin quoted in Purdy 2024).

that the monthly average rate of adverse incidents continues to increase, having grown almost 20-fold from 32 in November 2022 to 614 in January 2025 (OECD Policy Observatory 2025). The EY *AI Sentiment Index Study* from April 2025 found that 58% of surveyed citizens are concerned that organisations are failing to hold themselves accountable for negative uses of AI, and 52% are concerned that organisations are failing to comply with AI internal policies and regulatory requirements (Sáiz et al. 2025; Schuler 2025).

Amid the rapid development of AI, business leaders, policymakers, academics, investors, insurers and other stakeholders are asking urgent and fundamental questions.

- How do we assess whether an AI system is reliable and effective?
- How do we identify and manage its risks?
- How do we determine whether an AI system meets applicable regulatory and other standards for effectiveness and quality?

Numerous AI governance frameworks are emerging to help address these questions. Many of these frameworks incorporate assessments designed to validate the technology's governance, compliance with applicable policies, operational integrity or effectiveness, adherence to applicable laws and regulatory guidelines, internal policies or standards. In



this paper, we use the term 'AI assessments' to refer to 'structured evaluations of a defined subject matter² to produce an outcome, judgement, or conclusion'.³

AI assessments can be tailored to meet the needs and requirements of diverse stakeholders, including regulators, business leaders, investors, insurers and consumers. AI assessments can be voluntary or mandatory, qualitative or quantitative, and conducted by internal or external parties, with a range of reporting and disclosure metrics. AI assessments can also be specific to certain use cases, risk-levels or operating domains of the technology.

Rigorous assessments of AI systems can enhance confidence in the technology by validating that their development and deployment meet applicable criteria for governance, compliance or effectiveness.

² In the context of assurance, 'subject matter' refers to the specific information, process or set of controls that the assurance practitioner is evaluating.

³ The terminology used in policy texts and discussions to describe 'AI assessments' is wide-ranging and inconsistent across texts. Terms including 'assurance', 'audits', 'benchmark testing', 'certification', 'conformity assessments' and 'verifications' are at times used interchangeably. The term 'audit' is sometimes used in the AI domain to refer to any form of third-party evaluation, including investigative journalism, compliance and bias assessment, and conformity assessments. For the purposes of this publication, all these terms will be broadly referred to as forms of 'AI assessment'.

6 **‘Amid the rapid development of AI, business leaders, policymakers, academics, investors, insurers and other stakeholders are asking urgent and fundamental questions.’** 9

The current public policy landscape of AI assessments.

This section examines relevant AI policies and summarises some of the challenges for companies, AI assessment providers and other stakeholders in implementing these policies.

Policy-makers are active in this emerging space, developing both mandatory and voluntary policy frameworks for AI assessments. As of January 2025, policy-makers from nearly 70 countries have proposed over 1,000 AI policy initiatives, including legislation, regulations, voluntary initiatives and agreements, according to the OECD.⁴ A 2025 report from Stanford University found that over 39 countries have enacted 204 of those initiatives into law (Stanford University 2025). While it is difficult to get an exact account, AI assessments are part of a number of AI policy initiatives that have either been proposed or enacted into law (IAPP 2024). In July 2025, the Trump administration in the United States unveiled its AI Action Plan, which observes that evaluations can be a critical tool in measuring the performance and reliability of AI systems.⁵ The table below highlights some well-known AI assessment policy frameworks and illustrates how policy-makers are taking a range of approaches. A broader list of policy initiatives from around the world can be found in [Appendix II](#).

4. These initiatives have emerged at different levels, including multi-lateral organisations, national governments, city and state levels and are aimed at different objectives (OECD.AI 2021).

5. [America's AI Action Plan: Winning the Race](#), 23 July, 2025, p. 10.



Table 1: Examples of public policy frameworks that incorporate AI assessments

FRAMEWORK	EU AI ACT (EUROPEAN COMMISSION 2025)	G7 AI CODE OF CONDUCT (EY GLOBAL 2025)	UK TOOLKIT ON AI ASSURANCE (DEPT FOR SCIENCE, INNOVATION & TECHNOLOGY N.D.)	NEW YORK CITY LOCAL LAW 144 (NYC CONSUMER AND WORKER PROTECTION 2021)
Overarching policy objective	Protect the safety, security and fundamental rights of individuals.	Promote safe, secure and trustworthy AI worldwide.	Provide resources and guidance for AI assurance practitioners.	Protect job applicants against possible bias in automated employment decision tools (AEDT).
Purpose of the assessment(s)	Assessment of conformity of the AI system with EU AI Act obligations.	Ensure trustworthiness, safety and security of AI systems.	Proposes assessments for measuring, evaluating and communicating AI risks.	Assessment of the AEDT's impact on people based on demographic data categories such as race, ethnicity or sex.
Subject matter of assessment	AI quality-management system and technical documentation, including processes and governance.	Not specified.	Varies depending on technique; can evaluate data, AI model or governance processes.	AI system outcomes.
Methodologies for assessment	Conformity assessment demonstrating compliance with EU AI Act requirements.	Assessments not detailed in depth.	Defined AI assurance techniques and mechanisms.	Bias audit including calculations of selection or scoring rates across categories.
Assessment provider	Self-assessments; third-party assessments for certain AI applications.	Not specified.	Multiple options considered depending on assessment type.	Independent third-party assessment.
Terminology used to describe assessment(s)	Conformity assessment; risk assessments.	Independent external testing measures; assessment of effects and risks.	AI assurance includes compliance and bias audits, formal verification and other terms.	Bias audit.

Themes identified in current policy landscape

Three categories of AI assessments are emerging

The purpose of AI assessments varies significantly, from validating compliance with regulations and standards, determining whether the results of an AI system are free from bias, to measuring the accuracy of AI outcomes. Clearly defining the purpose of an AI assessment is crucial, as it shapes the requirements and expectations surrounding the assessment. AI assessments can generally be grouped into three categories and may be performed separately or in combination.⁶

- i. **Governance assessments** determine whether appropriate internal corporate governance policies, processes and personnel are in place to manage an AI system, including in connection with that system's risks, suitability and reliability.
- ii. **Conformity assessments** determine whether an organisation's AI system complies with relevant laws, regulations, standards, or other policy requirements.
- iii. **Performance assessments** measure the quality of performance of an AI systems' core functions, such as accuracy, non-discrimination and reliability. They often use quantitative metrics to assess specific aspects of the AI system.

There is significant variation across the policy frameworks for AI assessments. We currently observe significant variations in all aspects of both mandatory

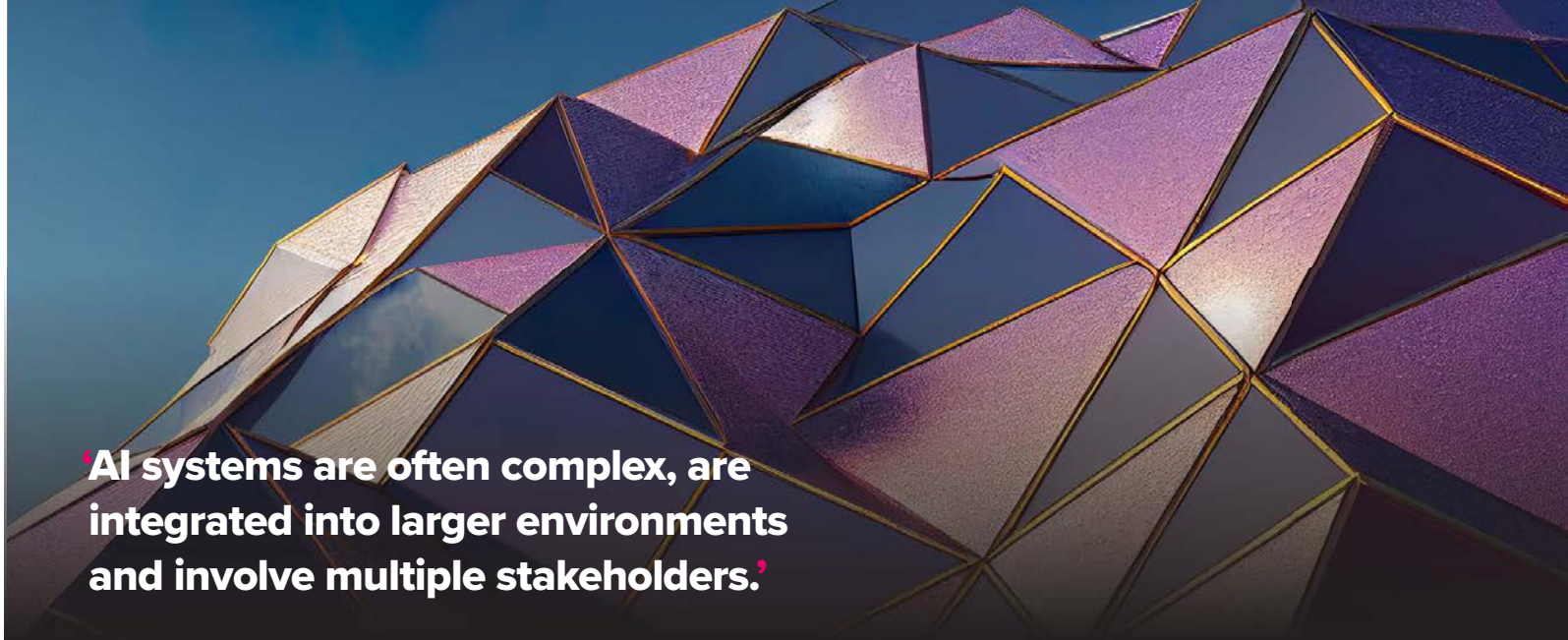
and voluntary AI assessment policy frameworks, including the scope, subject matter, methodologies, specified provider competence and qualifications, and the level of confidence the assessment is intended to achieve.

The scope of assessments can be narrow or very broad and can vary widely. For instance, their scope may cover the bias in AI systems' outcomes, as outlined in NYC Local Law 144; organisational governance and control processes around an AI system, as seen in the [EU Digital Services Act](#) (European Commission 2024) and [Australia's assurance framework](#) (Australian Government Department of Finance 2024); or data governance properties, such as those included in the [EU AI Act's](#) conformity assessments. This variation can be explained in part by differences in the jurisdictions' overarching policy goals and objectives, or the needs of the stakeholders whom the assessment is intended to serve.

Moreover, even when the objectives of AI assessments align, the specific requirements of AI assessment frameworks may still differ across jurisdictions. For example, various US cities and states have policies that include assessments for bias in the AI systems used in hiring and employment (HRDive2023/2024). In practice, the specific requirements of those assessments vary greatly. [NYC Local Law 144](#), for example, has different requirements for measuring bias from those in the state laws requiring bias assessments in [Colorado](#) and [Illinois](#) (Schlemmer and Shine 2024)⁷.

6 These categories should not be interpreted as fully distinct from one another. For example, an assessment that evaluates governance over an AI system may also be an assessment of conformity such as an assessment of an organisation's AI Management System against the ISO/IEC 42001 standard.

7 The Trump administration intends to review state AI policy to determine how it aligns with the AI Action Plan, including when making decisions on federal funding and grants, which may influence the development of state AI policy going forward. [America's AI Action Plan: Winning the Race](#), 23 July, 2025, p. 3.



‘AI systems are often complex, are integrated into larger environments and involve multiple stakeholders.’

AI assessments also provide varying levels of confidence depending on the design of their specific requirements, such as the extent of evidence required or the requirements for the providers of the assessments. Assessments conducted by third-parties may be viewed as more credible than those conducted by internal teams, especially if third-party providers adhere to standards of professional responsibility, ethics and public reporting that internal teams might not be obligated to follow (BSA 2024).

Finally, mandatory AI assessments that evaluate compliance with a regulation, for example, will often be very different from voluntary assessments against a governance standard, such as the voluntary AI Risk Management Framework of the US National Institute of Standards and Technology (NIST 2023).

As stated in the December 2024 findings by the UN’s International Panel on the Information Ecosystem (IPIE), the diversity of approaches for AI assessments (referred to as ‘AI Audits’ by IPIE, 2024) makes it difficult to ensure consistent quality and accountability.

Challenges to the effectiveness of current AI assessments

Beyond variations across jurisdictions, several common factors are currently hindering the robustness and effectiveness of some AI assessment frameworks – and thus their ability to achieve their intended purpose.

These challenges primarily relate to the lack of clarity and sufficient definition of the following critical elements of the AI assessment, such as:

- purpose of the AI assessment
- subject matter of the assessment
- methodologies, criteria against which the assessment is to be performed, evidence and reporting requirements
- required qualifications, accountability and absence of conflicts of interest for the AI assessment providers.

The nature of AI technologies can also complicate assessments. AI systems are often complex, are integrated into larger environments and involve multiple stakeholders. These factors can complicate the identification of the appropriate subject matter of an assessment. Additionally, model drift – the variation in a model’s results over time – can also render assessment outcomes outdated and misleading, and the variability of AI systems can complicate reproducibility. Lastly, the rapid advancement of AI technology may outpace the development of technical standards for evaluating performance.

Furthermore, the use of ambiguous, inconsistent and subjective terminology can result in differing interpretations of key concepts and suitable criteria, which may result in assessments that do not address their intended purpose. Broad terms such as ‘fairness’, ‘trustworthiness’ and ‘transparency’ can create ambiguity unless specified further: ICO and Alan Turing Institute (n.d.) identifies six main types of explanations. This may limit the feasibility and usefulness of certain assessments. Vague and subjective criteria may render it difficult to provide assurance at all in certain instances.

Lastly, insufficiently developed standards and methodologies pose challenges for the rigour and comparability of AI assessments. Stakeholders are increasingly focusing on the need for greater clarity,

consistency, objectivity and methodological rigour in setting and applying standards for AI assessments. The [International Association of Algorithmic Auditors](#) (IAAA n.d.), for instance, was established to bring together experts and ‘lay the foundation for algorithmic auditing standards’. Standards development organisations, such as International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), CEN-CENELEC (2024) and NIST, have also taken up this challenge and are working on both adapting existing AI standards and developing new ones.⁸ In the UK, regulators have outlined a roadmap for an

effective ‘AI assurance’ ecosystem (Centre for Data Ethics and Innovation 2021),and launched initiatives to provide detailed guidance on AI assessments.⁹ In February 2025, the UN’s IPIE released a comprehensive global ‘AI auditing’ framework (IPIE 2025) setting-out technical considerations, providing guidance on assessment scope, assessor qualifications, assessment criteria and methodologies.¹⁰

Addressing the challenges detailed above is essential for developing coherent and effective policy and business frameworks for AI assessments.

8 For instance, ISO/IEC (2023) developed the new [ISO/IEC 42001:2023](#) standard for AI Management Systems, and CEN-CENELEC published [EN ISO/IEC 25059:2024](#) (CEN 2024) on quality for AI systems based on a pre-existing ISO/IEC standard for software quality.

9 UK DSIT refers to AI assurance accordingly: ‘The term “assurance” originally derived from accountancy but has since been adapted to cover areas including cyber security and quality management. Assurance is the process of measuring, evaluating and communicating something about a system or process, documentation, a product or an organisation. In the case of AI, assurance measures, evaluates and communicates the trustworthiness of AI systems.’

10 UN IPIE refers to AI audit accordingly: ‘Auditing an AI system can help evaluate its interactions with individuals, communities, and organizations and assess whether these systems are properly developed, deployed, operated and managed. An audit can check whether an AI system adheres to vital social, ethical and legal norms, such as fairness, data privacy and environmental sustainability.’



Making AI assessments more effective.

Three fundamental elements of AI assessment frameworks need to be more clearly and consistently defined in order to make AI assessments effective: determining what is to be assessed, how to perform the assessment and who should perform it.¹¹

What is to be assessed?

For an AI assessment framework (whether voluntary or obligatory) to be effective, it should have a well-specified business or policy objective. A clear objective is crucial to avoid misalignments between the information provided by the assessment and the purpose that the AI assessment is intended to serve. The purpose of an assessment should also guide the selection of appropriate methodologies and reference standards.

Importantly, AI assessment frameworks should have a clear and sufficiently defined scope, including the type of assessment (eg governance, conformity or performance), the subject matter, and guidance as to when the assessment should occur. For instance, it is important to determine whether the assessment

should evaluate the entire AI system – including training data, algorithms and safeguards – or only its outcomes.

How to perform the assessment

Methodologies and suitable criteria determine how a subject matter is assessed, and it is essential that similar AI assessments use clearly defined and consistent approaches. Some assessments, for instance, may include explicit opinions or conclusions, while others may only provide a summary of procedures performed. A lack of clearly defined methodologies, criteria, evidence and reporting requirements can undermine assessment outcomes and create misunderstandings with the users of the assessments. Consistency, combined with clear terminology, allows users to compare assessment

¹¹ Established assessment frameworks in sectors, such as information technology (IT), automotive, pharmaceuticals and cybersecurity can offer insights for AI assessments, as long as accommodations are made for the unique aspects of AI. For example, in IT, assessments (commonly referred to as 'audits') are often used to support the security and effectiveness of an organisation's IT infrastructure and involve a comprehensive evaluation of the organisation's ability to protect its data, manage risks and comply with relevant industry regulations.

6 Consistency, combined with clear terminology, allows users to compare assessment outcomes and to understand how they were reached. 9

outcomes and to understand how they were reached. Suitable criteria – relevant, objective, measurable and complete – facilitate consistent, comparable and decision-useful assessment results.

Methodologies may include reference to standards such as ISAE 3000 (Revised) (IAASB 2013), which guides assurance engagements, or other evaluation processes such as formal verification, red teaming, or quality assurance (see Appendix I for more on ISAE 3000 (Revised)). Evaluation methods should also address challenging properties of AI systems, such as the range of variability in AI system outputs that is acceptable for the use cases and context that the assessment seeks to cover.

Criteria for assessment can be defined directly in the policy framework or referenced through technical standards. The criteria should be suitable and available to users of the assessment to facilitate understanding of the assessment outcomes. When selecting methodologies and criteria, they must align with the assessment's purpose, subject matter and desired confidence level. Some methodologies may be better suited than others for specific assessments.

Who performs the assessment?

The choice of provider is crucial for effective AI assessments because the provider's objectivity, expertise and adherence to transparent methodologies directly influence the credibility, reliability and overall integrity of the evaluation process. Key considerations for selecting assessment providers include the following.



- **Competency and qualifications:** credible AI assessments require professionals with technical knowledge of AI and competency in conducting assessment procedures, as well as an understanding of ethical and regulatory frameworks.
- **Objectivity:** the objectivity of the provider – including their ability to demonstrate the absence of conflicts of interest – affects the credibility of an assessment and can help foster confidence among stakeholders.
- **Professional accountability:** professional accountability requirements can be based on publicly available and accepted standards and guidelines, such as the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for the audit profession (IESBA 2024). Providers who follow these standards and guidelines enable confidence and help stakeholders understand how assessments are provided.



Considerations for business leaders.

- **Consider the role AI assessments can play in enhancing corporate governance and risk management.** AI assessments can help business leaders identify and manage evolving risks associated with their AI systems and help indicate whether AI systems perform as intended.
- **Evaluate whether – even in the absence of any regulatory obligations – to conduct voluntary assessments to build confidence in AI systems among employees, customers and other important stakeholders.** Market dynamics, investor demand or internal governance considerations may make a voluntary AI assessment advisable for building confidence in a business's AI systems. Moreover, if some AI systems are subject to regulatory obligations, business leaders may choose to use assessments to help measure and monitor compliance.
- **Where voluntary assessments are used, determine the most appropriate assessment.** Business leaders will want to determine whether to conduct a governance, compliance or performance assessment, and whether it should be conducted internally or by a third party.



Considerations for policymakers.

- **Consider what role voluntary (or mandated) AI assessments can play in building confidence in AI systems,** supporting successful adoption and contributing to the governance of AI.
- **Clearly define the purpose and components of the assessment framework,** and where possible, the **recognised standards or criteria** by which the assessment should be performed.
- **Address any expectation gaps** in what AI assessments entail, as well as their limitations. This information can enhance public awareness and confidence by setting realistic expectations about the significance of those assessments.
- **Take steps to build the capacity of the market to provide high-quality, consistent assessments.** Policymakers may want to determine whether there is sufficient capacity in their jurisdictions to conduct effective AI assessments. If not, they should work

with AI assessment providers, professional bodies and others to build capacity, including by supporting the development of assessment quality criteria and accredited training courses.

- **Endorse assessment standards that are, to the extent practical, consistent and compatible with standards in other jurisdictions.** Policymakers should consider aligning their AI assessment standards with those set by international organisations or major jurisdictions in order to reduce assessment costs and promote cross-border confidence in the credibility of assessments.

Conclusion.

As businesses continue to develop and deploy AI systems, AI assessments can play an important role in maximising AI's benefits and mitigating its risks. If properly designed, and if conducted by qualified assessment providers, AI assessments can promote the confidence in AI that business leaders, policymakers and the public seek in order to realise the full potential of this important technology.

Authors.

Shawn Maher

EY Global Vice Chair Public Policy
Ernst & Young LLP
shawn.maher@eyg.ey.com

Dr Ansgar Koene

EY Global AI Ethics and
Regulatory Leader
Ernst & Young LLP
ansgar.koene1@be.ey.com

Anne McCormick

EY Global Digital Technology
Public Policy Leader
Ernst & Young LLP
anne.mccormick@uk.ey.com

Tate Ryan-Mosley

EY Assistant Director,
Technology and Geopolitics
Global Public Policy
Ernst & Young LLP
tate.e.ryan-mosley@ey.com

Richard Jackson

EY Global Assurance AI Leader
Ernst & Young LLP
richard.jackson@ey.com

Cathy Cobey

EY Global Responsible AI Leader,
Assurance
Ernst & Young LLP
cathy.r.cobey@ca.ey.com

Narayanan Vaidyanathan

Head of Policy Development
ACCA
narayanan.vaidyanathan@accaglobal.com

Acknowledgements.

We would like to thank the following individuals from the EY organisation for their contributions to this work: Katie Kummer, Amy King, Marc Ryser, Yvonne Zhu, Julia Tay, Yi Xie, Denise Schalet, Bridget Neill, John Hallmark, Antonio Quintanilla, Andrew Hobbs, Tim Volkmann, Ambrose Murray, Dean Protheroe, Frank de Jonghe, Detmar Ordemann, Brent Simer, Brandon Miller, Kelly Devine, Dan Albanese and Krista Walpole.

We would like to thank the following ACCA members for their contributions to this work: Alex Panait, Andrew Chong, Fahad Riaz and James Best.



Appendix I: Case study: Applying ISAE 3000 (Revised) to ISO 42001

Policymakers are considering whether existing assessment, assurance or certification frameworks in use in other domains (such as ISO CASCO Toolbox (ISO n.d.), ISO/IEC 17067 (ISO/IEC 2013), ISAE 3000 (Revised) (IAASB 2013), IFRS standards) could, with modifications, be applied to AI. The use of existing frameworks could allow policymakers to avail themselves of the established quality control and accreditation processes.

For example, the ISAE 3000 (Revised) standard established by the International Auditing and Assurance Standards Boards (IAASB 2013), outlines requirements and a methodology for an assurance engagement in domains beyond the scope of a financial statement audit and details steps for assessing specific subject matter against applicable criteria. ISAE 3000 (Revised) is a principles-based standard that is capable of being applied to a broad range of underlying subject matters. This global standard has been a foundation for assurance engagements across a broad set of domains, including sustainability, internal controls and regulatory compliance. The requirements for the assurance provider, as outlined in ISAE 3000 (Revised) include:

- being compliant with relevant ethical requirements, including the absence of conflicts of interest
- having a sufficient understanding of the subject matter and scope of the assurance ('reasonable' vs. 'limited')
- obtaining necessary evidence to enable evaluation of subject matter against applicable criteria
- expressing a conclusion on the outcome of the evaluation.

An assurance provider could use ISAE 3000 (Revised) to evaluate an AI management system against a recognised standard, such as ISO/IEC 42001 (ISO / IEC (2023)). Such an engagement could be used to evaluate an AI management system's compliance with an internationally recognised standard.

ISO/IEC 42001 specifies requirements for establishing, implementing, maintaining and continually improving an AI management system (AIMS) within an organisation.

It is designed for entities providing or using AI-based products or services, and for ensuring responsible development and use of AI systems. ISO/IEC 42001 addresses some of the challenges that AI poses, such as ethical considerations, transparency and continuous learning.

Current work at CEN-CENELEC JTC21 towards developing a Conformity Assessment framework to support compliance with the EU AI Act is referencing the ISO CASCO Toolbox (ISO n.d.) and ISO/IEC 17067:2013 'Conformity assessment – Fundamentals of product certification and guidelines for product certification schemes' (ISO/IEC 2013) as primary references. This will provide businesses with a means of building on their existing conformity assessment procedures – as used for non-AI systems – when preparing for compliance with the obligations, under the EU AI Act, for high-risk AI systems.

‘This global standard has been a foundation for assurance engagements across a broad set of domains, including sustainability, internal controls and regulatory compliance.’

Appendix II: Examples of policy initiatives related to AI assessments

There has been significant activity by policymakers across jurisdictions since 2022, at supranational, national and local levels. The examples below provide further insights on the range of objectives and approaches related to both voluntary and mandated AI assessments.

POLICY INITIATIVE	STATUS AND OBJECTIVE OF THE POLICY INITIATIVE	GEOGRAPHIC SCOPE	TERMINOLOGY USED TO DESCRIBE THE ASSESSMENT	FUNCTION OF THE ASSESSMENT AND DETAILS
Singapore AI Verify certification	Released to the public in May 2022. This voluntary AI governance testing framework and toolkit is designed to verify the performance of an AI system against the developer’s claims, and with respect to internationally accepted AI ethics principles.	Globally available to the public, for voluntary use (no restrictions) Released by Singapore Infocom Media Development Authority (IMDA) and Personal Data Protection Commission (PDPC).	‘Testing and assurance’, which includes ‘external validation’ and ‘third-party testing’.	<i>AI governance testing framework to help companies assess the responsible implementation of their AI system against 11 internationally-recognised AI governance principles</i> . The governance principles (including transparency, robustness and fairness) are consistent with AI frameworks such as those from EU and OECD. AI Verify helps organisations validate the performance of their AI systems against these principles through a standardised testing report.
EU Digital Markets Act (DMA)	Entered into force in November 2022,and into application from 2 May 2023. Aims to ensure ‘fair and open’ digital markets.	Large digital platforms operating in the EU with a market position that meets the DMA’s criteria for designation as ‘gatekeeper platform’.	‘Independent audit’.	Provides the regulatory authority (European Commission) with an independently audited description of any techniques for profiling of consumers that the digital ‘gatekeeper’ platform applies to its core platform services.
EU Digital Services Act (DSA)	Entered into force in November 2022. Aims to comprehensively protect the fundamental rights of users of the internet.	Large digital platforms operating in the EU with a number of active users that meets the DSA’s criteria for designation as ‘Very Large Online Platform’ or ‘Very Large Online Search Engine’.	‘Independent audits’, ‘Risk assessments’.	The ‘independent audits’ should verify compliance with DSA requirements, including annual assessments of ‘systemic risks’ and mitigations to reduce risks.
NIST Risk AI Management Framework (NIST AI RMF)	Released January 2023. Aims to provide a voluntary risk management framework to ‘better manage risk to individuals, organisations, and society associated with AI’.	US NIST has performed several crosswalks with policy frameworks in other jurisdictions (such as EU, Japan and Singapore) to guide non-US users.	‘Risk management’, ‘Risk assessment’, ‘Impact assessment’, ‘Performance assessment’	Developed to help individuals, organisations and society manage AI’s risks, promote the trustworthy development and responsible use of AI, and the evaluation of AI products, services and systems.
EU Digital Operational Resilience Act (DORA)	Entered into force January 2023, and application started in January 2025. Aims at strengthening the IT security of financial entities and ensuring that the financial sector is resilient.	All financial entities operating within the EU.	Verification (voluntary). External audits (voluntary). Testing through external or internal testers (mandatory).	(Voluntary) Verification of compliance with information and communications technology (ICT) risk management framework and requirements. Audit of contractual arrangements with ICT third-party service providers. Digital operational resilience testing of financial entities’ ICT tools and systems.

Appendix II: Examples of policy initiatives related to AI assessments (cont.)

POLICY INITIATIVE	STATUS AND OBJECTIVE OF THE POLICY INITIATIVE	GEOGRAPHIC SCOPE	TERMINOLOGY USED TO DESCRIBE THE ASSESSMENT	FUNCTION OF THE ASSESSMENT AND DETAILS
German Institute of Public Auditors in Germany (IDW PS 861 standard on auditing AI systems).	The most current version of the standard was issued in March 2023. Aims to provide a voluntary framework for the auditing of AI systems. The goal is to enhance trust in AI technologies by establishing a systematic approach to auditing, thereby supporting organisations in managing risks associated with AI implementation.	Primarily pertains to Germany, with potential implications for applications in the EU and beyond (eg if applied to organisations with a broader European or global reach).	'Voluntary audits', 'Assessment criteria', 'Adequacy audit', 'Effectiveness audit' of AI systems, 'Reasonable assurance'	Clarifies 'the requirements for voluntary audits of AI systems outside the scope of financial audits, and sets out the professional understanding according to which public auditors should plan, conduct and report on such engagements while maintaining auditors' own responsibility'. The standard sets interrelated assessment criteria for AI systems on the basis of ethical, legal, traceability, IT security and performance requirements. The subject of such an AI audit is the description of the given AI system, including management's commentary on its compliance with the selected assessment criteria. The AI audit is either to be carried out in the form of an 'adequacy audit' or an 'effectiveness audit', both with reasonable assurance.
Bletchley Declaration	Agreed upon in November 2023. An international agreement that outlines key principles and commitments for the safe development and use of AI, including for robust safety measures, rigorous testing and continuous monitoring of AI systems.	28 signatories: Australia, Brazil, Canada, Chile, China, France, Germany, India, Indonesia, Ireland, Israel, Italy, Japan, Kenya, Saudi Arabia, Netherlands, Nigeria, Philippines, S. Korea, Rwanda, Singapore, Spain, Switzerland, Türkiye, Ukraine, UAE, UK, US and EU.	'Safety testing'.	Recommends that firms implement measures, including safety testing, evaluations, and accountability and transparency mechanisms to measure, monitor and mitigate potentially harmful capabilities of frontier AI. The specifics of such safety testing and accountability mechanisms are not detailed in the Declaration.
ISO/IEC 42001:2023 AI Management Systems	Published in December 2023. Aims to ensure the responsible development and use of AI systems by entities providing or using AI-based products or services.	Global.	'Risk assessment', 'Impact assessment', 'Conformity assessment', 'Assurance', and 'Internal audit'	'ISO/IEC 42001 specifies requirements for establishing, implementing, maintaining and continually improving an artificial intelligence management system (AIMS) within organizations. It is designed for entities providing or utilizing AI-based products or services, ensuring responsible development and use of AI systems'.
UN Panel on Global Standards for AI Auditing (IPIE) – Recommendations for a Global AI Auditing Framework: Summary of Standards and Features , and Assessment and Recommendations	Two reports on AI assessment have been published by the IPIE (December 2024 and February 2025). The IPIE aims to define criteria and methodologies for AI audits to 'establish global standards and foster discussions focused on AI's public impact'.	Global scope. Produced by the UN as part of IPIE.	'AI auditing'	Audits as a means of testing whether algorithmic or AI systems engender the outcomes they are expected, or whether they have significant – possibly adverse – societal and technological impacts. The audits are seen as mechanisms for assessing AI systems' alignment with norms and principles of AI responsibility, accountability, trustworthiness or safety. These audits probe an AI system's design, development and operations, often examining the model(s) and data used in it. The audits are used to describe how the audited AI system performs against certain established criteria and to report on its impacts.

Appendix II: Examples of policy initiatives related to AI assessments (cont.)

POLICY INITIATIVE	STATUS AND OBJECTIVE OF THE POLICY INITIATIVE	GEOGRAPHIC SCOPE	TERMINOLOGY USED TO DESCRIBE THE ASSESSMENT	FUNCTION OF THE ASSESSMENT AND DETAILS
US National Telecommunications and Information Administration (NTIA) AI Accountability Policy Report	Published in policy paper March 2024, and is non-binding. Aim is to promote innovation and adoption of trustworthy AI, highlighting the need for new and more widely available accountability tools and information and promoting an ecosystem of independent AI system evaluation.	Produced by NTIA (US agency in the executive branch). Published under the Biden administration. It's currently unclear whether the Trump administration will continue with similar recommendations.	'AI accountability mechanisms', 'AI System Assurance'	Advocates the broader application of AI audits, though it stops short of specifying enforcement mechanisms. The report recommends that (future federal) AI policymaking not lean entirely on purely voluntary best practices; rather, some AI accountability measures should be required. In the past, the NTIA has also called for the creation of a national registry for AI system audits and a 'pre-release review and certification' for select systems or models.
Colorado AI Act	Passed in May 2024. It is set to come into effect in February 2026. A set of amendments to the act were proposed in April 2025, but failed to pass before the May 7 closure of Colorado Legislature. A cross-sectoral AI governance law covering the public sector, focusing on high-risk AI systems and preventing bias in automated decision-making systems.	Deployers and developers in the state of Colorado (US).	'Impact assessments', 'Risk assessments'	Requires developers and deployers of high-risk AI systems to conduct impact and risk assessments, including for bias and discrimination. Impact assessments must include: 1. A statement disclosing the system's purpose, intended use cases, deployment context. 2. Analysis of risks of algorithmic discrimination and mitigation steps taken. 3. A description of categories of data processed. 4. Metrics used to evaluate the system's performance and known limitations. 5. A description of transparency measures taken. 6. Description of post-deployment monitoring and user safeguards to address issues arising from deployment.
EU AI Act's General Purpose AI (GPAI) Code of Practice	Passed as part of the EU AI Act. The development is ongoing. Related AI Act obligations take effect on 2 August 2025. Use of the Code of Practice is voluntary. Aim is to provide additional guidance and clarify obligations for the developers of GPAI models. Following the GPAI Code of Practice can help users demonstrate compliance with some EU AI Act requirements.	The Code will support EU AI Act compliance for any company that develops, distributes or otherwise deploys an AI system in the EU (including a company that is headquartered outside the EU).	'Risk assessment', 'Systemic risk assessment'	The details of the assessment are still to be confirmed. However, the assessments are already outlined at a high-level in the EU AI Act and include establishing measures, procedures and modalities for the assessment and management of the GPAI systemic risks, including documentation thereof.¹²

12 At the time of publication of this paper, the AI Act's GPAI Code of Practice has not yet been published.

References.

Australian Government Department of Finance (2024), *National Framework for the Assurance of Artificial Intelligence in Government*. Downloadable from <<https://www.finance.gov.au/government/public-data/data-and-digital-ministers-meeting/national-framework-assurance-artificial-intelligence-government>>, accessed 14 May 2025.

BSA (Business Software Alliance) (2024), *Enhancing AI Accountability: Effective Policies for Assessing Responsible AI* <<https://www.bsa.org/files/policy-filings/10232024enhancingaiaccountability.pdf>>, accessed 14 May 2025.

CEN (European Committee for Standardization) (2024), an overview of EN ISO/IEC 25059:2024 is given at <https://standards.cencenelec.eu/dyn/www/?p=205:110:0:::FSP_PROJECT:77585&cs=1C084C5DA531C7AA08AD58E2C35AD47EB>, accessed 9 June 2025.

CEN -CENELEC (2024), ‘A Strong Single Market needs a Strong European Standardization System: read CEN and CENELEC’s Declaration’ [website declaration], 22 July <<https://www.cencenelec.eu/news-and-events/news/2024/brief-news/2024-07-22-eu-declaration/>>, accessed 9 June 2025.

Centre for Data Ethics and Innovation (2021), *The Roadmap to an Effective AI Assurance Ecosystem* <https://assets.publishing.service.gov.uk/media/61b0746b8fa8f50379269eb3/The_roadmap_to_an_effective_AI_assurance_ecosystem.pdf>, accessed 14 May 2025.

Daco, G. (2024), *How Global Business Leaders Can Harness the Power of GenAI* <<https://www.ey.com/content/dam/ey-unified-site/ey-com/en-us/insights/ai/documents/ey-how-global-business-leaders-can-harness-the-power-of-gen-ai.pdf>>, accessed 13 May 2025.

Department for Science, Innovation & Technology (n.d.), *Assuring a Responsible Future for AI* <https://assets.publishing.service.gov.uk/media/672a2ca440f7da695c921b7c/Assuring_a_Responsible_Future_for_AI.pdf>, accessed 13 May 2025.

European Commission (2024), ‘Digital Services Act’ [website] <https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/digital-services-act_en>, accessed 14 May 2025.

European Commission (2025), ‘AI Act’ [website article with links to the Act] <<https://digital-strategy.ec.europa.eu/en/policies/regulatory-framework-ai>>, accessed 8 June 2025.

EY Global (2025), ‘G7 AI Principles and Code of Conduct’ [website article] <https://www.ey.com/en_gl/insights/ai/g7-ai-principles-and-code-of-conduct>, accessed 8 June 2025.

HRDive (2023/2024), ‘A Running List of States and Localities that Regulate AI in Hiring’ [website article, 25 October 2023, updated 20 May 2024], <<https://www.hrdive.com/news/ai-hiring-laws-by-state/697802/>>, accessed 13 May 2025.

IAAA (International Association of Algorithmic Auditors) (n.d.) Home page <<https://iaaa-algorithmicauditors.org>>, accessed 9 June 2025.

IAASB (International Accounting Standards Board) (2013), *International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information* <<https://www.iaasb.org/publications/international-standard-assurance-engagements-isae-3000-revised-assurance-engagements-other-audits-or>>, accessed 9 June 2025.

IAPP (2024), *Global AI Law and Policy Tracker*. Downloadable from <<https://iapp.org/resources/article/global-ai-legislation-tracker/>>, accessed 8 June 2025.

ICO (information Commissioners Office) and Alan Turing Institute (n.d.), *Explaining Decisions Made with AI*. Downloadable from <<https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/artificial-intelligence/explaining-decisions-made-with-artificial-intelligence/>>, accessed 14 May 2025.

IESBA (International Ethics Standards Board for Accountants) (2024), *Handbook of the International OECD Code of Ethics for Professional Accountants*. Downloadable (fee payable) from <<https://www.ethicsboard.org/iesba-code>>, accessed 14 May 2025.

IPIE (International Panel on the Information Environment) (2024), *Recommendations for a Global AI Auditing Framework: Summary of Standards and Features*. Downloadable from <<https://www.ipie.info/research/sfp2024-2>>, accessed 13 May 2025.

IPIE (2025), *Towards A Global AI Auditing Framework: Assessment and Recommendations*. Downloadable from <<https://www.ipie.info/research/sr2024-3>>, accessed 9 June 2025.

ISO (International Organization for Standardization (n.d.), ‘CASCO: Conformity Assessment Tools to Support Public Policy: Toolbox’ [website article with links to further information] <<https://casco.iso.org/toolbox.html>>, accessed 9 June 2025.

ISO /IEC (International Electrotechnical Commission) (2013), ‘ISO/IEC 17067:2013 Conformity assessment – Fundamentals of Product Certification and Guidelines for Product Certification Schemes’ [website article] <<https://www.iso.org/standard/55087.html>>, accessed 9 June 2025.

ISO /IEC (2023), an overview of ‘ISO/IEC 42001:2023 Information technology – Artificial intelligence – Management system’ [website article] <<https://www.iso.org/standard/81230.html>>, accessed 9 June 2025.

NIST (National Institute of Standards and Technology) (2023), *AI Risk Management Framework*. Downloadable from <<https://www.nist.gov/itl/ai-risk-management-framework>>, accessed 9 June 2025.

NYC Consumer and Worker Protection (2021), ‘Automated Employment Decision Tools (AEDT)’ [website page] <<https://www.nyc.gov/site/dca/about/automated-employment-decision-tools.page>>, accessed 8 June 2025.

OECD Policy Observatory (2025), ‘AI Incidents and Hazards Monitor’ [online resource] <<https://oecd.ai/en/incidents>>, accessed 13 May 2025.

OECD.AI (2021), powered by EC/OECD (2021), National AI Policies’ [online database] <<https://oecd.ai/en/dashboards/overview>>,accessed 13 May 2025.

Purdy, M. (2024), ‘What is Agentic AI and How Will it Change Work?’ [online article], *Harvard Business Review*. 12 December <<https://hbr.org/2024/12/what-is-agentic-ai-and-how-will-it-change-work>>, accessed 7 June 2025

Sanz Sáiz, B., Cosgrove, A. and Diasio, D. (2025), ‘How a License to Lead Can Transform Human Potential in an AI World’ [website article] <https://www.ey.com/en_gl/insights/ai/how-a-license-to-lead-can-transform-human-potential-in-an-ai-world>, accessed 13 May 2025.

Schlemmer, M.D. and Shine, Z.W. (2024), ‘AI in the Workplace: The New Legal Landscape Facing US Employers’ [website article] <<https://www.morganlewis.com/pubs/2024/07/ai-in-the-workplace-the-new-legal-landscape-facing-us-employers>>, accessed 13 May 2025.

Schuler, S. (2025), ‘How Responsible AI Can Unlock Your Competitive Edge’ [website article] <https://www.ey.com/en_gl/insights/ai/how-responsible-ai-can-unlock-your-competitive-edge>, accessed 8 June 2025.

Stanford University (2025), *Artificial Intelligence Index Report 2025*. Downloadable from <<https://hai.stanford.edu/ai-index/2025-ai-index-report>>, accessed 8 June 2025.



ACCA
The Adelphi
1/11 John Adam Street
London WC2N 6AU
United Kingdom

020 7059 5000

accaglobal.com

All rights reserved. Used with permission of ACCA.
Contact insights@accaglobal.com for permission to
reproduce, store or transmit, or to make other similar
uses of this document

© ACCA AUGUST 2025.

© 2025 EYGM Limited.
All Rights Reserved.
EYG no. 005038-25Gbl
020725

This material has been prepared for general informational
purposes only and is not intended to be relied upon as
accounting, tax, legal or other professional advice. Please
refer to your advisors for specific advice.



THINK AHEAD