

## Executive Summary

# Towards a meaningful implementation of Article 27 under the AI Act:

A call for active and impactful participation in Fundamental Rights Impact Assessments (FRIAs) & effective transparency mechanisms for their oversight and enforcement

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## Introduction

As of August 2026, Article 27 of the EU AI Act will require certain deployers of high-risk AI systems –public bodies, providers of public services, and financial or insurance institutions using AI for creditworthiness, credit scoring, or risk assessment– for some insurances– to conduct **Fundamental Rights Impact Assessments (FRIAs)**.

While this obligation is a step toward a more right-based AI governance, its current design risks falling short: **limited scope, minimal procedural safeguards, no binding requirements for public participation, and weak transparency obligations**. Without strong implementation, FRIAs risk becoming a **bureaucratic formality**, failing to prevent discrimination, exclusion, and harm for those most affected by AI-driven decisions.

This report makes the case for a **meaningful, enforceable, and participatory** approach to FRIAs and provides actionable guidance to make it happen.

## Structure and methodology of the report

This report analyses the regulatory context of Article 27 of the AI Act at both the European and Spanish levels, complementing it with frameworks such as the GDPR, consumer protection legislation, and ongoing legislative proposals. From this basis, it explores the current state of impact assessments in AI and other sectors, such as development work and environmental protection, to extract best practices and identify areas for improvement applicable to FRIAs, particularly within public administration and the financial sector.

It also examines participation approaches drawing from participatory design, design justice, and transdisciplinarity, as well as transparency and algorithmic accountability mechanisms, illustrating barriers and challenges for the effective oversight of Article 27.

The study combines desk research with interviews with ten experts in AI governance, fundamental rights, participatory processes, and investigative journalism.

### Why are FRIAs critical to rights-based AI governance?

AI systems are already embedded in decisions that affect housing, welfare, credit, insurance, and public safety. Poorly designed or opaque systems have caused serious harm. Two examples:

- **RisCanvi (Catalonia):** A prison recidivism algorithm overestimated risk and hid its use from affected individuals, undermining trust and due process.
- **SyRI (Netherlands):** A welfare fraud detection system used ethnic proxies, disproportionately targeting migrants and low-income individuals. It was ruled incompatible with the right to privacy.

These cases show that **early risk identification, public participation, and strong transparency** are not optional, they are essential to prevent rights violations.

### **What makes a FRIA meaningful?**

A robust FRIA must go beyond templates and checklists. It should:

- **Involve affected groups, rights holders, and experts** from the start, enabling them to shape decisions and halt deployment if necessary.
- **Assess necessity, proportionality, and alternatives**, including whether AI should be used at all.
- **Be transparent**, publishing substantive findings and mitigation plans to enable public and regulatory scrutiny.
- **Enable oversight and accountability** through complaint mechanisms, independent evaluation, and enforcement by national authorities.

## **Accountability and impact assessments in practice**

AI accountability mechanisms –such as principles, transparency requirements, and audits– only work when supported by clear obligations and institutional follow-up. Impact assessments, especially when ex ante and participatory, are essential to prevent harm before it occurs.

In practice, however, assessments often remain internal and opaque:

- **GDPR Data Protection Impact Assessments (DPIAs)** are often minimal, with no public disclosure or participation.
- **DSA risk assessments** by large platforms show vague metrics and little civil society engagement.

This underlines the importance of enforcing **clear standards for FRIAs** under Article 27.

### Reference models to learn from

Model	Strengths	Limitations
<b>FRAIA (Netherlands)</b>	Guided process, multidisciplinary input, strong reflection culture	Needs facilitation to avoid superficiality
<b>APDCAT (Catalonia)</b>	Contextual, adapted to AI Act	No specific public participation guidance
<b>HUDERIA (Council of Europe)</b>	Stakeholder engagement, mitigation hierarchy, stop option	Still developing engagement tools
<b>Draft “FRIA fit for the AI Act” (led ECNL)<sup>1</sup></b>	Adapted to the AI Act, developed by technical, legal, and social experts. Requires a multidisciplinary group and documented justification of all risk-level and mitigation choice	

(1) Organizations involved in drafting and providing input include leading academics, fundamental rights experts, equality bodies and technical experts, such as Algorithm Watch, Amnesty International, Avaaz, CDT Europe, Civil Liberties Union for Europe, Danish Institute for Human Rights, European Centre for Not for Profit law, Equinet, European Network of Human Rights Institutions, etc.

## AI in banking & finance sector: A High-Risk Use Case

Under the AI Act, AI systems intended for the evaluation of creditworthiness, credit-scoring, and for insurance pricing, i.e., health and life, are high-risk uses, requiring FRIAs.

### Key concerns in relation to consumer protection:

- **Financial exclusion:** AI can penalize those with thin or non-traditional data histories.
- **Discrimination:** Pricing models may rely on proxies for ethnicity, language, or location.
- **Lack of transparency:** Many affected individuals lack explanations or redress mechanisms.

Despite voluntary frameworks (e.g. UNGPs), financial institutions score poorly on transparency and rights-based risk management (World Benchmarking Alliance, 2025). FRIAs must fill this accountability gap.



## Best practices for meaningful FRIAs

Drawing from existing models and case studies, the report recommends:

- **Multidisciplinary teams** with legal, technical and social expertise.
- **Early and ongoing participation** of affected groups and civil society.
- **Clear documentation** of process, risk analysis, and mitigation plans.
- **Public reporting** to enable scrutiny.
- **Independent oversight and complaint mechanisms** to enforce outcomes.

## Opportunities for improvement in the implementation of FRIAs

The comparative analysis of assessment models –such as FRAIA (Netherlands) and the APDCAT model (Catalonia)– highlights key opportunities for improvement. Pilot studies carried out under optimal conditions, with guided processes and expert facilitation, demonstrate the value of a reflective, interdisciplinary, and participatory approach. However, less supervised experiences – such as certain Data Protection Impact Assessments (DPIAs) or risk reports published by major platforms under the DSA– reveal recurring shortcomings:

- FRIAs are perceived as mere bureaucratic exercises, leading to minimalist approaches, closed questionnaires, and a lack of critical reflection.
- There is limited understanding of fundamental rights and how to assess or mitigate related impacts.
- A tendency to narrowly define the scope of impact analysis, particularly in the private sector.
- A lack of awareness about the shared responsibility between AI providers and deployers to anticipate negative impacts.
- Impact assessments that fail to meet a minimum standard of quality, both in terms of process and outcomes.
- The absence of measurable harm indicators, clear methodologies, and effective mitigation plans.
- Little to no participation of affected groups in deliberation processes.

Despite differences between the public and private sectors, there is an emerging consensus from the pilot exercises: **a FRIA must be a reflective and participatory process, not a formal checklist.**

To achieve this, it is essential to provide adequate resources, guidance, and infrastructure to support AI deployers in implementing effective FRIAs.

## Participation & Transparency: Cornerstones for meaningful FRIAs

For this report **meaningful participation** in FRIAs must go beyond symbolic consultation and act as a genuine mechanism for shaping whether and how high-risk AI systems are deployed. This requires shifting power toward affected communities and ensuring they can influence –and, where necessary, halt– deployments.

Three dimensions are key:

- ▶ **the nature of authority** (the level of decision-making power granted, including the possibility to reject a system),
- ▶ **the composition of authority** (ensuring representation of affected communities, fundamental rights experts, and advocacy groups), and
- ▶ **the moment of authority** (how early in the process participation occurs, ideally from the earliest design or procurement stages).

For participation to be effective, it must produce **visible impact** and be based on a **trustworthy process**. Participants should see how their input has shaped outcomes, even if their formal decision-making power is limited. This visibility helps prevent participation fatigue and builds legitimacy. **Transparency about the process**, the influence participants have, and the other interests involved is essential for fostering trust and ensuring accountability.

The report outlines five levels of public participation –**inform, consult, involve, collaborate, empower**– and encourages the use of deliberative methods (e.g., citizen panels, advisory boards).

Beyond the method, “meaningful” participation means that public input has a **real impact on the decisions made**. This includes mechanisms that allow for rejecting certain uses of AI or specific AI systems.

The report also calls for stronger transparency through:

- Full **FRIA publication** where possible
- **National algorithmic registers** to complement the EU database
- **Stronger access rights** for oversight bodies.
- **Protections for journalists and whistleblowers.**

## Closing remarks and key recommendations

For FRIAs to fulfill their purpose –preventing fundamental rights violations– it is essential, at a minimum, that:

- The process goes beyond standardized templates, incorporating qualitative and reflective analysis.
- All affected groups are rigorously identified.
- Affected individuals and/or their representatives are included as active participants with the ability to influence decisions.
- The necessity and proportionality of the system are critically assessed, considering non-automated alternatives and establishing clear red lines.
- There is readiness to halt deployment if the risks are unacceptable.
- Clear mechanisms for oversight and external evaluation are established. The responsibilities of competent authorities (MSAs, Fundamental Rights Authorities) are clearly defined and their independence is ensured.

- Effective complaint channels are created for civil society, rights groups, and the general public.
- Public access to sufficient information about the FRIA outcomes is guaranteed.

In this regard, achieving the goal of meaningful FRIAs requires implementation strategies at the EU and the national levels, which:

**1. Foster a participative FRIA process:** Include all affected stakeholders with real influence over FRIA outcomes.

**2. Ensure effective oversight, enforcement and accountability:** Promote transparency of FRIA results, empower independent authorities, enable challenges, and define clear responsibilities.

**3. Provide sufficient support and incentives for conducting meaningful FRIAs:** For example, through resource allocation, capacity-building, and the promotion of best practices that position FRIAs as core accountability tools, not mere bureaucratic formalities.

## Why read the full report?

The meaningful implementation of Article 27 will determine whether FRIAs become a transformative tool for rights-based AI governance or a missed opportunity. This report provides practical models, sectoral insights, and policy recommendations to help regulators, deployers, and civil society achieve the former.

For those committed to ensuring that AI respects fundamental rights, the full report offers detailed analysis, case studies, and a roadmap for action. Its message is clear: participatory, transparent, and enforceable FRIAs are not optional, they are essential to protecting fundamental rights in the age of AI.

## About this document:

This executive summary has been developed based on the research conducted by Mayra Russo Botero y Kristen M. Scott, with the coordination and editing of the [Federación de Consumidores y Usuarios CECU](#).

It is based on their report and advocacy document: "Towards a meaningful implementation of Article 27 under the AI Act: A call for active and impactful participation in Fundamental Rights Impact Assessments (FRIAs) & effective transparency mechanisms for their oversight and enforcement".

Access the [full report](#) here.

This document<sup>2</sup> has been developed in collaboration with [IA Ciudadana](#) and seeks to contribute to the ongoing work of the coalition.

## Supported By:

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(2) IA Ciudadana is a coalition of 17 organizations working to defend human rights in the context of digital technologies. Our goal is to expand spaces for societal participation in the regulation and governance of artificial intelligence and algorithms. More info: [iaciudadana.org](https://iaciudadana.org).



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