DECISION OF THE PANEL OF ADJUDICATORS OF THE OSCE WITH REGARD TO THE EXTERNAL APPEAL BY [redacted]

(Case No: OSCE PoA 5/2026)

Proceedings

1. On 20 May 2026, the Chairperson of the Panel of Adjudicators (PoA) of the Organization for Security and Co-operation in Europe (OSCE) received a letter from the Chairperson of the Permanent Council of the OSCE transmitting an external appeal by [redacted] (Applicant) which the former had received on 6 April 2026.

2. The Chairperson of the Panel, through the Executive Secretary of the Panel, informed the Secretary General of the OSCE (Respondent) and the Applicant on 20 May 2026 of the constitution of the Panel and asked the Respondent to forward a response to the Panel as per Article 5 of the Rules of Procedure of the Panel to reach the Panel no later than 19 June 2026. The Respondent forwarded a response on 19 June 2026, and the Applicant was advised that [redacted] had a right to reply. [redacted] reply of 13 July 2026 was transmitted to the Respondent for information.

3. In accordance with Article VI of the Terms of Reference of the Panel (ToR), Appendix 2 to the Staff Regulations and Staff Rules (SRSR), the Chairperson of the Panel convened the Panel from 12 to 13 October 2026 at the Hofburg premises in Vienna to examine the appeal. The Panel was composed of its Chairperson, Mr. Thomas Laker, and its members, Ms. Anna Csorba and Mr. Marcus Joyce.

4. After examining all the documents submitted to it, the Panel noted that the Applicant requests a full review, including of alleged procedural violations, of the decision to abolish [redacted] post and not to extend [redacted] assignment.

Summary of facts

5. At the material time, the Applicant was [redacted] of the [redacted]. [redacted] had held this position since [redacted].

6. On 12 March 2024, the [redacted] informed the Applicant that [redacted] was considering structural changes to the [redacted].

7. On 12 August 2024, the [redacted] sent the Applicant advance notification of the possible abolition of [redacted] post and termination of [redacted] assignment. The notification informed the Applicant that [redacted] post "has been proposed for abolition in the context of the 2025 Unified Budget Proposal and is not planned to be continued beyond 31 December 2024".

8. On 19 August 2024, the Administration informed the Applicant that [redacted] appointment, which was due to expire on [redacted], would be extended until 31 December 2024.

9. On 13 November 2024, the Applicant submitted a complaint (Harassment Complaint) of harassment and abuse of authority under Staff Instruction No. 21/Rev. 2 Professional Working Environment (SI 21) against the [redacted] on the basis of the above referenced restructuring exercise, in addition to other allegations.

10. On 3 December 2024, the Administration informed the Applicant that [redacted] assignment would be extended until 31 March 2025 due to the abolition of [redacted] post.

11. On 28 February 2025, the Administration informed the Applicant that [redacted] assignment would not be extended beyond 31 March 2025 (Impugned Decision).

12. On 10 March 2025, the Respondent published a vacancy notice for the position of [redacted].

13. On 13 March 2025, [redacted] informed the Applicant that the Harassment Complaint fell outside of the scope of SI 21.[1]

14. On 25 March 2025, the Applicant submitted a request for internal review of the Impugned Decision.

15. On 8 January 2026, the Internal Review Board (IRB) issued its report and recommendation to the Respondent. The IRB concluded that the Impugned Decision was the result of a legitimate restructuring exercise and recommended that it be upheld.

16. On 9 February 2026, having considered the report and recommendation of the IRB, the Respondent upheld the Impugned Decision.

Contentions of the parties

17. The Applicant's principal arguments are:

- The Impugned Decision was unlawful because only the Permanent Council, and not the [redacted], has the power to abolish posts, including [redacted] post;

- That the [redacted] failed to apply Staff Instruction 30 "Human Resources Procedures for Organizational Restructuring" (SI 30) governing department restructuring;

- That Section 8.9.2 of SI 30 which provides for extensions of fixed-term appointments for a period of 3 months is unlawful as it is in conflict with Staff Regulation 1.01 which requires that a fixed term appointment be issued for 6 months or more;

- The Impugned Decision was not transparent as it was based on an Inter-Office Memorandum (IoM) of 29 November 2024 which was not shared with [redacted] until [redacted] filed [redacted] request for internal review before the IRB;

[1] The Applicant appealed that decision and, for the purposes of the current appeal, suffice it to state that [redacted] appeal was rejected in its entirety by decision of the Panel of Adjudicators in OSCE PoA 2/2026 of 11 June 2026.

- The Impugned Decision was the result of abuse of authority and retaliation by the [redacted].

18. The Respondent's principal arguments are:

- The Impugned Decision was lawful and SI 30 was not applicable in the circumstances;

- The extension of the Applicant's fixed-term assignment for periods of 3 months was consistent with the SRSR;

- The IoM provided a lawful basis for the Impugned Decision and that it was applied correctly in the Applicant's case;

- The Impugned Decision was not the result of abuse of authority or retaliation by the [redacted].

Considerations

19. The Applicant's first argument is that solely the Permanent Council (PC) has the authority to approve the Unified Budget, and related table of posts within the OSCE. As such, according to the Applicant only the PC has "(…) power to create and abolish posts (…)". As there was no approved Unified Budget by the 31st of December 2024, in the Applicant's submission, this means that there was no lawful basis on which to engage in organizational restructuring, including the abolition of [redacted] post.

20. The Panel recalls that it is within the prerogative of an organization to determine its structure, including restructuring in the interests of the organization. The Panel does not consider that the absence of an approved budget prevents the Respondent from conducting legitimate organizational restructuring. There is no provision, of which the Panel is aware, within the OSCE's internal legal framework that requires the approval of the Unified Budget as a general pre-condition to conducting organisational restructuring. Furthermore, to conclude that budget approval is necessary in order to carry out restructuring would essentially place the OSCE in a position of indefinite limbo whereby it could not undertake restructuring in the interests of the organization. Therefore, the lack of a Unified Budget did not prevent the organization from conducting a restructuring exercise in principle.

21. As to the Applicant's next contention regarding the application of SI 30, [redacted] submits that, per the terms of SI 30, the restructuring exercise undertaken, including the abolition of [redacted] post, had a "significant impact" upon [redacted] department, at least, if not also on the executive structure of the OSCE as a whole.[2] [redacted] therefore submits that SI 30 does apply.

22. The Respondent contends that the restructuring exercise did not meet the threshold of having a significant impact and that, consequently, SI 30 was inapplicable. The Respondent relies on the fact that only five posts were abolished and three were retitled. The Respondent compares the present restructuring to a subsequent exercise where 20 posts were abolished. It contends that this subsequent exercise did have a significant impact, and that SI 30 was therefore applicable in that instance, but that 5 abolished posts could not be described as significant.

23. At the same time, the Respondent concedes that the significance of the impact of a restructuring cannot solely be assessed with reference to quantitative considerations as "SI 30 does not prescribe quantitative thresholds, whether proposed measures amount to organizational restructuring must be assessed in light of their nature, scope and practical implications". The Panel agrees that the significance of the impact of restructuring cannot solely be determined with reference to the number of posts affected. Rather, the nature of the posts themselves and the practical implications of their abolition are also highly relevant considerations.

24. The Panel notes that, with reference to the Inter-Office Memorandum of [redacted], in the present restructuring exercise five posts of a senior nature were abolished. The abolished posts were [redacted], [redacted], [redacted], the Applicant's post of [redacted] and [redacted]. In addition, three posts were re-titled.

[2] SI 30, Section 5, page 2.

25. In the Panel's view, when considered within the context of the present case, the abolition of five senior posts must be regarded as having a significant impact, at least on the department, if not on the executive structure of the OSCE as a whole. On this basis, the Panel concludes that the Respondent's exercise of discretion in not applying SI 30 was wrong in law. It follows that the failure to apply SI 30 amounts to a serious breach of procedure. Having reached this conclusion, the Panel does not regard it as necessary to proceed to consider the Applicant's remaining arguments.

Remedies

26. As to remedies, the Applicant requests the Panel to consider granting any appropriate remedy within its powers. The Panel sees no reason to rescind the impugned decision. This is because, notwithstanding the breach of procedure in failing to apply SI 30, in the Panel's view, the evidence demonstrates that the abolition of the Applicant's post and the advertisement of a new post were carried out on a legitimate operational basis. In reaching this conclusion, the Panel has reviewed the rationale for the abolition of the Applicant's post and the creation of a new post, and has also noted the change in tasks as between the Applicant's post and the new post.

27. The Panel considers that the most appropriate remedy in the circumstances is compensation. The Panel has carefully considered whether the Applicant ought to be awarded compensation for the non-extension of [redacted] appointment beyond 31 March 2025.

28. The Panel notes that pursuant to Staff Rule 3.11.1 (d) "fixed-term staff/mission members shall retain fixed-term status whatever the duration of further consecutive extensions granted". This implies that, although Staff Regulation 1.01 defines a fixed-term appointment as one made "for a definite period of 6 months or more", it is possible to have an extension of a fixed-term appointment for a period shorter than six months.

29. The Panel also notes that Staff Regulation 3.11 (a) provides that "appointments shall not carry any expectation of extension (…)". . Further Staff Rule 4.01.1 (a) provides that appointments "shall expire automatically (…) unless they are extended under Regulations 3.08 and 3.11".

30. Further, paragraph 8.9.2 of SI 30, upon which the Applicant seeks to rely, mandates that where the Unified Budget is approved after 31 December, "Staff/Mission Members shall be issued with extensions to (…) Fixed-Term appointments *for initial periods of three (3) months* in line with Provisional Budget Allotments" (emphasis added). The same paragraph goes on to state that "these appointments *may be further extended* in line with the provisional allotments (…)" (emphasis added).

31. The Applicant's appointment was extended on 3 December 2024 to 31 March 2025. As such, [redacted] appointment was extended for an initial period of 3 months, as required. Consistent with the wording of paragraph 8.9.2 of SI 30, there was no legal obligation on the Respondent to issue a further extension of [redacted] appointment, also considering the abolition of the Applicant's post. Consequently, the Panel considers that there is no legal basis upon which to award compensation for pecuniary loss resulting from non-extension of [redacted] appointment.

32. However, the Panel considers that compensation for the moral injury occasioned to the Applicant is payable. In addition to awarding compensation for the failure to apply SI 30, the Panel also awards compensation for the failure of the Respondent to adhere to section 10.2 of SI 30 in not providing the Applicant with support or assistance to seek to obtain alternative employment following the abolition of [redacted] post. Such measures could have included training, CV writing and advice on applying for new positions, none of which were offered to [redacted].

33. The Panel considers the failure to apply the OSCE's internal law, as occurred in this case with regard to SI 30, as serious because the internal law exists, in part, to protect the rights of staff members. Such failure is all the more serious in the present case given that the Respondent did not consider offering the Applicant the additional protections provided under paragraph 10 of SI 30, namely support to those whose posts had been abolished.

34. In all of the circumstances, the Panel considers that the appropriate level of compensation, for non-pecuniary loss in the form of moral injury, is 6000 euro.

Conclusion

35. The Respondent is ordered to pay the Applicant 6000 Euro. All other requests are rejected.

Done in Vienna on 13 October 2026

Thomas Laker	Anna Csorba	Marcus Joyce
Chairperson	Member	Member