

Moldova: Prime Minister's sudden resignation triggers a reputational crisis for the pro-Western camp

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On 3 July, Moldova's Prime Minister, Alexandru Munteanu, announced his resignation, eight months after the Party of Action and Solidarity (PAS) secured parliamentary approval for his government in a confidence vote at the end of October 2025 (see '[A technocrat for tough times? Moldova's new government](#)'). He did not give a specific reason, saying only that he could no longer remain in office while staying true to his principles and convictions. President Maia Sandu, PAS's de facto leader, accepted his resignation and announced that consultations with parliamentary factions on his successor would commence later this week. Igor Dodon, leader of the opposition Party of Socialists (PSRM), called for early elections, while Chişinău mayor Ion Ceban, leader of the National Alternative Movement (MAN), called for the resignation of the entire state leadership, including President Sandu.

Munteanu's decision came as a surprise, and his reasons for stepping down remain unclear. However, there are strong indications that it was linked to tensions within the ruling camp over planned fiscal reform, as well as to a series of corruption and nepotism scandals uncovered in recent weeks by Moldovan investigative journalists in public institutions. As a result, the ruling party is facing its most serious reputational crisis since taking office in August 2021.

Commentary

- **Two factors are likely to have driven the prime minister's unexpected resignation.** The first was growing tensions within the ruling camp over planned budgetary and tax reforms. The package, presented for public consultation on 11 June and supported by Munteanu, aimed to simplify the tax system. It proposed reducing personal income tax from 12% to 7% for annual incomes below €50,000 and cutting health insurance contributions from 9% to 7%. At the same time, it included several unpopular measures, notably the abolition of the reduced 8% VAT rate on food, medicines and natural gas, replacing it with a single 20% rate. The proposals sparked public discontent and drew criticism from some PAS politicians. The opposition staged protests outside parliament, while Education Minister Dan Perciun criticised the package, arguing that it had not been adequately discussed within the government camp.
- **The second factor was a series of corruption scandals involving public institutions.** The most high-profile case centred on MoldATSA, the state-owned company responsible for managing the country's airspace. On 18 June, investigative journalists revealed that its

director, Dumitru Vangheli, had included false information in his biography, including a claim that he had worked as a pilot, while earning a salary more than seven times the national average. Shortly after taking office, he also made a sizeable donation, by local standards, to PAS's ongoing campaign. The company's spokesperson, Anastasia Taburceanu, President Sandu's cousin, was appointed without an open recruitment process and reportedly earned nearly one million lei in less than a year. The National Anticorruption Centre (CNA) launched a criminal investigation, and both the director and the spokesperson were dismissed. The head of the Public Property Agency, which had organised the recruitment process for the MoldATSA director, also resigned. There is speculation that Munteanu stepped down because he was unable to push through the proposed reform and was unwilling to accept allegedly corrupt arrangements benefiting officials linked to the ruling camp. Sandu, however, denied that anyone had prevented him from tackling abuses, insisting that he had enjoyed full freedom to do so.

- **The developments over the past few weeks have dealt a serious reputational blow to PAS.** Combating corruption and reforming state institutions after years of oligarchic rule have been central pillars of the party's agenda and of Sandu's personal political legitimacy. Even if allegations that PAS officials have benefited from corrupt practices or protected corrupt networks ultimately prove unfounded, their mere appearance undermines the government's credibility. The scandal has eroded trust in both the party and President Sandu, who has become a symbol of reform, while also damaging Moldova's reputation among its Western partners. It comes at a particularly sensitive moment. Chişinău has recently broken the deadlock caused by Hungary's veto and opened the first cluster of EU accession negotiations (see '[Ukraine and Moldova launch EU accession negotiations](#)'). The coming months will determine whether Moldova can maintain its current pace of European integration. According to PAS's timetable, accession negotiations are to conclude in 2028, with EU membership planned for 2030—a key election pledge of the ruling party.
- **A new PAS-led government is expected to be formed in the coming weeks.** With 55 of the 101 seats in parliament, PAS is expected to form the government on its own, making early elections unlikely. The leading candidates for prime minister include businessman Vasile Tofan, who was already considered when the previous government was formed eight months ago, and Education Minister Dan Perciun. However, the scale of the challenges ahead may discourage potential candidates. The new prime minister will have to deal with the fallout from the recent scandals, rebuild public trust and continue implementing often unpopular reforms required both by the EU accession process, such as reform of the country's administrative division, and by Moldova's main international lenders, led by the IMF, including fiscal reforms intended to boost economic growth and stabilise the budget.