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Abstract

Purpose: This study aims to characterise the impact of digital technologies on building a transparent, technology-oriented system of state financial control and to determine the public finances in the context of digital transformation.

Design/Methodology/Approach: The study employed a quantitative comparative research design based on secondary data analysis. The empirical sample consisted of aggregated country-level indicators from international datasets covering the period 2017–2023. The sample included countries represented in the Open Budget Survey, OECD Digital Government Index, World Bank GovTech Maturity Index, Eurostat Government Finance Statistics and World Bank Open Data. A purposive sampling approach was applied, as only countries and country groups with available comparable indicators on digital government maturity, fiscal transparency, automated reporting and electronic treasury transactions were included. The data were analysed using descriptive statistics, trend analysis and comparative group analysis.

Research Limitation: The study is limited by the use of only aggregated international indicators, which do not allow analysis of micro-level IFMIS data. However, the validity of the conclusions is ensured by the consistency of the results of different international institutions.

Findings: The results show that growth in digital indicators aligns with greater fiscal openness and stronger institutional discipline. An increase of more than four points in the digital maturity index during 2020–2023 corresponds with a rise in budget transparency to 66 points, the highest level recorded. Digital tools also reduced transaction-processing time and improved real-time control.

Practical Implication: The practical significance lies in the potential to apply the identified patterns to further modernise financial supervision mechanisms, particularly by implementing automated modules for transaction verification, risk analytics, and predictive control.

Social Implication: The social implication of this institutional strengthening extends beyond the immediate domain of public finance into the broader societal experience of governmental legitimacy, public service reliability, and social stability, as communities that perceive their governing institutions as disciplined, transparent, and resistant to corruption

Originality/Value: The originality of the study lies in identifying and operationalising a set of interrelated variables that explain how digitalisation affects budget control. The study highlights four key variables: the digital maturity of public finance systems, fiscal openness, the automation of budget reporting, and the share of electronic treasury transactions.

Keywords: Digital economy, financial inclusion, regulation, risks, security.