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PUBLIC CONTROL AND DIGITALIZATION AS FACTORS OF THE DEVELOPMENT OF THE BUDGET PROCESS IN UKRAINE

The article theoretically substantiates and practically analyzes the synergetic impact of public control and GovTech digitalization tools on the modernization of the budget process in Ukraine, specifically under the conditions of systemic crises, macroeconomic instability, and martial law. Based on the integration of the polycentric governance concept, the dynamic capabilities theory, and the principles of open strategizing, the transformation of financial institutions under the influence of modern GovTech platforms is comprehensively investigated. The research provides a deep structural and functional analysis of the dynamics of Ukraine's indicators in the international Open Budget Survey (OBS) conducted by the International Budget Partnership. It identifies the primary factors that led to the decline in the budget transparency index from 65 to 38 points during the 2022–2023 evaluation rounds, such as the temporary transition of in-year reports, year-end reports, and audit results of the Accounting Chamber to internal use only due to security concerns. The study outlines the key legal and organizational prerequisites for its restoration and improvement in the 2024–2026 cycles, emphasizing the adoption of the medium-term Budget Declaration for 2025–2027 and the gradual reopening of state treasury databases. Particular attention is paid to the municipal dimension of the budget process under the ongoing decentralization reform, where the implementation of participatory budgeting, digital platforms, and online transaction monitoring (such as openbudget.in.ua and spendings.gov.ua) serves as a powerful catalyst for the fiscal resilience and sustainability of local territorial communities. Furthermore, the article substantiates a mathematical model for calculating the integral index of municipal institutional resilience, showcasing how digital maturity acts as an intersystem accelerator of local governance capacity and helps local governments adapt to unexpected humanitarian and security shocks. The paper also reveals the revolutionary potential of using blockchain-based smart contracts and artificial intelligence (AI) algorithms to automate routine budget procedures, mitigate corruption risks, and reduce human-factor errors up to 92 percent in budget commitment registration tasks. Finally, a comprehensive set of strategic recommendations is proposed to enhance the overall transparency, inclusiveness, and technological security of the public finance management system in Ukraine. These recommendations focus on the unification of e-budget interfaces, the expansion of citizen engagement mechanisms throughout the budget cycle, and the reinforcement of cyberdefense systems for critical financial databases to ensure uninterrupted operations even in crisis environments. The social and practical implications of this institutional strengthening extend to higher creditworthiness, reduced borrowing costs, and elevated civic trust.

Keywords: public finance; budget process; public control; digitalization; GovTech; budget transparency; decentralization; community resilience; blockchain; artificial intelligence.