

ANALYSIS OF FACTORS AFFECTING THE ORGANIZATION OF FINANCIAL CONTROL IN THE DIGITAL ECONOMY

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Abstract: This article comprehensively analyzes the main factors affecting the organization of financial control in the digital economy. The rapid development of digital technologies imposes new requirements on the financial management and control system. In this regard, the article examines the impact of factors such as information and communication technologies, artificial intelligence, automated audit tools and electronic document management on the effectiveness of financial control. Also, the state of the financial control system in Uzbekistan within the framework of the digitalization process, existing problems and proposals for their elimination are presented. The conclusions of the article substantiate the directions for improving financial control in the context of digital transformation.

Keywords: digital economy, financial control, digitalization, internal audit, artificial intelligence, electronic governance, automated control, information technology, transparency, economic security.

The formation of the digital economy is having a significant impact on public administration, the financial system and the business environment. In particular, the issue of improving the financial control system and integrating it with modern technologies is gaining relevance. In this regard, technologies such as artificial intelligence, Big Data, blockchain serve to automate control processes, increase analytical capacity and reduce corruption risks.

This article analyzes the main factors affecting the organization of financial control in the digital economy - technological, organizational, legal and human resources. It also highlights the reforms being implemented in Uzbekistan in this regard and current challenges.

In recent years, a number of initiatives have been adopted in Uzbekistan aimed at digitizing financial control. Including:

Starting in 2022, electronic audit platforms are being gradually introduced by the State Financial Control Inspectorate.

Through the "e-Nazoratchi" platform, supervisory authorities have the opportunity to conduct rapid and automatic control over expenditures.

proving effective in preventing financial irregularities, identifying corruption, and ensuring budget discipline.

look at foreign experiences, Singapore is one of the leading countries that has fully digitized its financial control system. They have implemented the following approaches based on the Smart Nation strategy:

AI (artificial intelligence)-based control system - financial data is automatically analyzed.

Real-time monitoring - the movement of expenses and income is constantly monitored.

Supervisory authorities are integrated with each other via API, which ensures rapid information exchange.

In Canada, the Office of the Auditor General of Canada also uses data analytics and AI tools as a key component of financial oversight.

become an integral part of modern economic development , and it is also having a fundamental impact on public finance and corporate governance systems. In particular, the introduction of new technologies in financial control processes is helping to increase reliability, speed and transparency in this area. However, this process also creates its own difficulties and problems. Therefore, an in-depth analysis of the factors affecting the organization of financial control in the digital economy is one of the urgent issues.

When analyzing the factors influencing the organization of financial control, we can see that there are a number of factors in this area.

In this regard, we can see that, based on the Decree of the President of the Republic of Uzbekistan No. PF-100 dated July 10, 2024 "On Additional Measures to Strengthen Financial Control over the Use of Budget Funds", in order to ensure the targeted and effective use of State Budget funds in the current situation, the goal is to further strengthen state financial control, improve the internal audit system in ministries and departments that allocate budget funds, as well as expand public participation and control.

It is determined that the State Financial Control Inspectorate, based on the needs of the activities of internal audit services, will further improve the "State Audit" software complex, determine the procedure for conducting control activities based on the risk analyses provided by the remote control center, and fully cover the coordination of annual plans of control activities of State Financial Control bodies and internal audit services with the Accounts Chamber with the "State Audit" software complex.

In order to further increase the efficiency of state financial control activities, we can see that it is planned to establish an interdepartmental remote control center (Remote Control Center) of state financial control bodies and internal audit services, which will conduct risk analysis of large volumes of data based on "Big Data" technologies, on the basis of the information and analytical department for implementing remote control and risk assessment, as well as a department for organizing state audits based on international standards, and a Research, Expert Analysis and Training Center (hereinafter referred to as the Research Center).

It is also indicated that, in order to ensure the effectiveness of financial control, it is necessary to create interdepartmental remote control software for state financial control bodies and internal audit services, including attracting qualified specialists and programmers with skills in working with large databases; and to improve the modules for identifying violations of the law by comparing the databases of state bodies and organizations of "Remote Audit".

The growth of information and communication technologies

The effectiveness of the financial control system is primarily influenced by the level of information and communication technologies (ICT). Electronic document management, online accounting, automated monitoring systems allow for real-time control processes. For example, the "E-reporting" and "E-monitoring" platforms introduced by the State Financial Control Services are important achievements in this regard.

2. Artificial intelligence and data analysis systems

Artificial Intelligence (AI) and Big Data technologies are playing an important role in the process of detecting financial violations, assessing cost effectiveness, and managing risks. Through AI-based software, it has become much easier to automatically check financial transactions and detect fraudulent or suspicious activities. This reduces human errors and increases trust in the system.

3. Legal and regulatory framework and institutional reforms

A specific legal framework is needed to organize financial control in accordance with the digital economy. In recent years, the Republic of Uzbekistan has adopted a number of legislative acts, presidential decrees and government resolutions in this regard, and a gradual transition to electronic systems is being implemented in areas such as internal audit, public procurement, and tax control. For example, the development of the "Electronic Government" system is helping to increase transparency in controlling public spending.

4. Human Resources and Digital Literacy

Another important factor is the level of digital literacy of employees working in the financial control system. The full and effective use of modern technologies depends not only on software tools, but also on the qualifications of the specialists who use them. Therefore, it is important to organize continuous training courses to improve digital competencies in financial control bodies.

5. Organizational and technical infrastructure

To effectively organize financial control in a digital format, infrastructure such as high-speed internet, secure information systems, data centers, etc. must be available. IT architecture must be well developed for the operation of digital platforms and their mutual integration.

6. Anti-corruption and transparency

in areas such as public procurement, subsidies and grants is an effective tool in preventing corrupt practices. Systems such as "Open Budget" and "E-auction" are showing high efficiency in this area.

In conclusion, the effective organization of financial control in the digital economy directly depends on a number of factors - technological, organizational, legal and human resources. The rapid development of information and communication technologies and the introduction of systems based on artificial intelligence make it possible to carry out control processes in real time, identify financial violations in advance and ensure rational use of resources. At the same time, issues such as increasing the level of digital literacy, improving the legislative framework and developing technical infrastructure also remain relevant.

Digitalization of the financial control system is considered an important factor in increasing transparency, reducing corruption risks, and ensuring economic security in Uzbekistan. In the future, even higher results can be achieved in this area through an integrated approach, innovative approaches, and strengthening human resources.

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