

# Audit Services Quality for Enhancing Corporate Governance Practices in Libya to Increase Foreign Investors' Confidence

Munir Elatrsh\*

PhD Candidate, City University Malaysia, No.8, Jalan 51a/223, Seksyen 51a, 46100 Petaling Jaya, Selangor, Malaysia

\*Corresponding author: Munir Elatrsh

| Received: 15.12.2018 | Accepted: 26.12.2018 | Published: 18.01.2019

DOI: [10.21276/sjef.2019.3.1.5](https://doi.org/10.21276/sjef.2019.3.1.5)

## Abstract

Good corporate governance (CG) practices reduce risks for investors and attract foreign investment. Corporate financial reports must be credible and reliable, relevant to enable investors to make sound financial decisions. High quality auditing contributes to investor confidence and for corporations to raise funds. In view of the critical importance of foreign investment flows for Libya's economic growth. This paper presents the findings of a study which examined the relationship between audit service quality, CG practices and foreign investor confidence in the Libyan banking sector. Data was collected from a literature review and a web survey, and analysis through the use of descriptive statistics revealed that good CG practices and quality audit services are positively associated with foreign investor confidence in the Libyan banking sector.

**Keywords:** Corporate Governance Practices, Auditor Services Quality, Foreign investors' Confidence, Libya, Banking Sector, Findings, Recommendations.

**Copyright @ 2019:** This is an open-access article distributed under the terms of the Creative Commons Attribution license which permits unrestricted use, distribution, and reproduction in any medium for non-commercial use (NonCommercial, or CC-BY-NC) provided the original author and source are credited.

## INTRODUCTION

Several studies showed that investors are willing to pay high premiums for companies with 'good governance'. Adherence to the application of good CG has become the fundamental criterion considered by investors when making investment decisions. The International Transparency Organisation reported in 2014 that Libya is among the most corrupt of the Arab countries. It ranked 166th among 177 countries, which may be one of the essential reasons that discourage foreign investments in Libya. This compels the Libyan government to enhance the investment climate by ensuring transparency, disclosure and the fair treatment among all shareholders and by safeguarding of shareholder rights and wealth. This descriptive study reviews an assessment of previous literature and investigates the prospects for increasing foreign investment in Libya. It discusses i) The impact of corporate governance (CG) practices on increasing the confidence of foreign investors; ii) The role of audit quality in supporting the level of foreign investment; iii) Foreign investments in Libya; iv) Banking sector in Libya. Then it displays the results.

and less developed countries [1, 2]. Foreign investments play a significant role in increasing foreign exchange flows, thus supporting the balance of payments and enhancing national income. It is also vital in the development process and the improvement of economic growth rates [3, 4]. Developing countries, such as Libya, are in dire need of foreign investment to boost the economic growth levels, to improve and develop infrastructure and to promote the growth of per capita income [5].

Several studies indicate that the investment climate governs the investment flow around the world [6, 7]. A country with the highest degree of economic, financial and social stability as well as a highly reliable accounting system captures the most significant amount of capital flows [8, 9]. Proper CG practices play a crucial role in enhancing the investment climate, improving organisational performance and company increasing profits [10, 11]. However, the majority of developing countries still lack proper governance practices even though most governments of these countries recognise the importance of CG [12].

## LITERATURE REVIEW

### The Impact of CG Practices on Increasing the Confidence of Foreign Investors

Attracting foreign investments is a significant objective for the governments of developed, developing

CG has come to occupy a central place in the literature, following the bankruptcy of some major international companies. Sound CG practices reflect the quality and integrity of the financial statements of the company. Hence, the real value of the company can be

generated through the application of sound governance [13]. CG practices also protect shareholder equity, identify the owners' rights and promote transparency with investors [14]. Therefore, the interest in implementing the concept of CG is the best, safest and fastest solution to deal with these negatives that accompanied the collapse of numerous organisations [12].

Various professional organisations around the world have recognised the importance of governance. However, considerable weakness in their application still exists, especially in developing countries [12]. The literature reveals several definitions of the CG term which is defined from different perspectives. The following definition is the most related definitions for this study. Shleifer and Vishny [15] identified CG as "the ways in which the suppliers of finance to corporations assure themselves of getting a return on their investments". This definition indicates the important role of good CG practices in increasing the confidence of the investors in the performance of companies and increasing the value of their shares by enhancing organisational performance and improving profits.

Much previous literature focused on the influence of CG mechanisms on the performance of organisations [16, 17] and on the credibility of financial statements [18], such as BOD [19, 20], AC [21, 22], internal auditors [23]. The literature also showed a significant impact of the principles of CG and the on companies' performance [24, 25] and on the reliability of financial statements [26, 27].

Furthermore, the reviewed studies on the foreign investments in Libya [28-31] omitted issues of CG practices and its influence with foreign investors' confidence. Most studies on foreign investment in Libya are conducted from an economic point of view, thus indicating a deficiency in addressing this problem regarding administrative and financial dimensions in Libya.

### **The Role of Audit Quality in Supporting the Level of Foreign Investment**

Auditing quality has been the focus of scientific research in developed countries, given the importance of auditing services for all stakeholders [32]. The financial and economic crisis in recent years has cast doubt on the credibility of the audit profession and caused loss of confidence. Moreover, the stakeholders' diminished confidence in the published financial reports and the information contained therein has led to doubts about the usefulness of these reports in the capital market [33, 34].

Auditors should contribute to resolving and mitigating agency disputes, including financial fraud. Agency theory regards the process of independent

auditing as a control mechanism, which can help reduce information asymmetry among the management, shareholders and investors by adding credibility and fairness to the financial statements. The auditor's opinion enhances the investors' confidence by supporting them in making investment decisions and directing their money towards companies that are expected to be successful in the future [32, 35, 36].

The Libyan organizations face several challenges, including the weakness of auditor efficiency and qualification [37-39]; cases of fraud, manipulation and mismanagement, lack of disclosure and transparency [40, 41]; and the current level of evolution of accounting information systems [42, 43]. In addition, Libyan organisations deal with the inability of the Libyan audit firms to compete [44], the degree of understanding of accounting information users and the delay of audit reports, all of which lead to negative economic effects on all aspects of the Libyan economy [38, 45].

Nowadays, Libyan organizations must benefit from external auditing best practices to improve the reliability of financial statements by relying on the CG best practices for increasing foreign investor confidence. Where CG practices can also enhance the independence of external auditor to be trusted by all stakeholders including the foreign investors. This adaptation is considered one of the strategies adopted by companies for improving the stakeholders' perception on the reliability and credibility of the information contained in its financial reports [46].

### **Foreign Investments**

Investment plays a crucial role in the flow of technology and experience into the development process [47, 48]. Investment legislation in many countries ensured various advantages, incentives and guarantees that encourage foreign investors, individuals or companies [49, 50]. Often, franchises granted to foreign investors exceed those given to domestic investors without weakening the latter. This outcome is due to the fact that foreign investors, especially multinational companies, have the financial, human and technical capabilities that enable them to carry out the vital projects [51].

Foreign owners require credible financial statements to reduce agency costs [52, 53]. Moreover, foreigners avoid investments in poorly governed firms [54].

Between 1970 to 1990, Libya had a centrally planned economy, with the government controlling the allocation of the resources as well as the production and service sectors. At the beginning of Qaddafi's regime, emphasis was placed on Arab nationalism, and the government imposed strict controls on foreign investors, resulting in reduced foreign investment

inflow and private ownership that had minimum governmental intervention [55].

Libya has opened up to the outside world after the lifting of the economic sanctions imposed on it by the Security Council and the US in 2003 [56]. Thus far, it has carried out many reforms and enacted numerous laws that encourage foreign investment [57]. However, Libya's weakness in terms of foreign investment persists compared to its neighbouring countries [58, 59, 30]. Various international brands, such as chains of hotels, international restaurants and global banks, are absent in Libya despite their presence in most neighbouring countries.

The Libyan government should ensure that their operations are at par with international standards to increase the foreign investors' trust in the financial statements generated from the country. The government can also benefit from the expertise and technology of foreign investors, which can contribute to the Libyan economy growth.

### Banking sector in Libya

The financial sector is the most economic sector dealing with risks. The current economic development has shown that the safety, growth and efficiency of this sector is a prerequisite for economic progress in general and that this sector is one of the most integrated economic sectors in the global economy. Several studies by international institutions have shown that one of the most important factors of economic progress and success is the existence of sound and strong financial institutions operating within an appropriate financial environment [60].

Commercial banks in Libya play an important role in economic development in terms of creating and pumping funds in various investment fields that contribute to the development of various economic sectors and contribute to the infrastructure of the Libyan economy [61]. These banks are characterized by the largest geographical spread nationwide, with the number of branches and agencies of commercial banks about 301 agency spread across all branches of Libya and these banks hold about 90% of the market share of the total deposits of these banks.

Libyan banks are directed by (CBL) and are governed by Law No. (4) of 1963, which was replaced by Law No. (1) of 1993, which was consequently changed by Law No. (1) of 2005, Income Tax Law and Libyan Commercial Law. The purpose of focusing on the Libyan banking sector in this study is that Libya has experienced significant regulative and economic reforms including the compliance with international accounting standards (IASs) and ISAs in the Libyan banking sector [62]. Another catalyst is the fact that the Libyan banking sector has been the main beneficiary of the nation's privatization program. By 2006, the Libyan

government had already begun to sell state-owned banks to the private sector in tandem with the improvement framework supported by the IMF and the Libyan Banking Law (LBL1 / 2005).

The Libyan banks should ensure that their operations are at par with international standards to increase the foreign investors' trust in its financial statements. The Libyan banking sector can also benefit from the expertise and technology of foreign investors, which can contribute to the Libyan economy growth.

## METHODOLOGY

The researcher started with the literature review to give preliminary information on the research problem and identify research issues and key variables. Then moved to the descriptive stage to collect the data by the questionnaire "web survey". The survey was sent to 260 participants from three groups, (i) BOD Members in the Libyan banking sector, (ii) AC Members in the Libyan banking sector. (iii) The Libyan external auditors who are accredited to the CBL. Based on the research issues that emerged from the literature review, these three hypotheses were developed:

RH1: The degree of emphasis on corporate governance is positively associated with the emphasis on the quality of audit services in Banking Sector of Libya.

RH2: A greater emphasis on corporate governance is positively associated with foreign investor confidence in Banking Sector of Libya.

RH3: The degree of emphasis on audit services quality is positively associated with foreign investor confidence in Banking Sector of Libya.

### Data Analysis

208 valid completed questionnaires were received. A Four-step approach was used to analyze the data and these are:

- Data Screening,
- Descriptive and deductive statistics,
- Simple correlation analysis
- Multiple regression analysis.

### The Testing of Hypotheses 1: The degree of emphasis on corporate governance is positively associated with the emphasis on the quality of audit services in Banking Sector of Libya.

As shown in Table-1 below, The statistical test showed that there is a strong empirical support for the relationship between corporate governance and audit services quality (H1) as reflected by  $\beta = 0.573$ ;  $t = 10.779$ . This indicates that corporate governance is directly and positively associated with the emphasis on audit services quality. As this hypothesis was supported at  $p\text{-value} < .000$ , it confirms the impact of corporate governance in influencing the adoption, importance and thus emphasis of audit services quality.

**Table-1: Regression between CG Variables and ASQ**

Variable	Relevant Hypotheses	Expected Sign	Coeff	Std. Error	t-value	p-value
Constant	H1	+	.573	.205	9.760	.000
CG				.053	10.779	.000

DV= Audit Services Quality, R 2 = .361 Adj R2 = .358 F-Ratio= 116.182 Sig F=0.000\* N=208.  
(Source: Developed for the Survey Data)

**The Testing of Hypotheses 2: A greater emphasis on corporate governance is positively associated with foreign investor confidence in Banking Sector of Libya.**

The results of the statistical tests revealed that the relationship between CG practices and foreign

investors' confidence (H2) was significant ( $\beta=0.759$ ;  $t=13.879$ ). Since the hypothesis was supported at p-value  $<0.000$ , it can be concluded that corporate governances directly lead to increased foreign investors' confidence.

**Table-2: Regression between CG and FIC**

Variable	Relevant Hypotheses	Expected Sign	Coeff	Std. Error	t-value	p-value
Constant	H3	+		.211	5.740	.000
CG			.759	.055	13.879	.000

DV= Foreign Investors' Confidence, R 2 = .483 Adj R2 = .481 F-Ratio= 192.636 Sig F=0.000\* N=208.  
(Source: Developed for the Survey Data)

**The Testing of Hypotheses 3: The degree of emphasis on audit services quality is positively associated with foreign investor confidence in Banking Sector of Libya.**

As shown in Table-3 below, The statistical findings revealed that audit services quality is positively

associated with overall foreign investors' confidence as evidenced by the strong statistical support at p-value  $<0.01$ , ( $\beta=0.517$ ;  $t=8.660$ ). Therefore, there is a positive association between audit services quality and foreign investors' confidence.

**Table-3: Regression between ASQ and FIC**

Variable	Relevant Hypotheses	Expected Sign	Coeff	Std. Error	t-value	p-value
Constant	H3	+	0.517	.288	5.687	.000
ASQ				.068	8.660	.000

DV= Foreign Investors' Confidence, R 2 = .267 Adj R2 = .263 F-Ratio= 75.004 Sig F=0.000\* N=208.  
(Source: Developed for the Survey Data)

## FINDINGS AND RECOMMENDATIONS

The analysis of the secondary data from the literature review indicated that effective corporate governance practices is of key importance in the level of foreign investments. Proper CG practices are essential for reducing investment risks, improving corporate performance and attracting foreign capital. The previous literature also revealed that Good CG practices also enhance the independence of the external auditor through the AC as well as the independent auditor's reports enhance investors' confidence for making investment decisions in companies. The research findings suggest that the Libyan banking sector should take measures to expedite the adoption of proper CG practices and audit services. Based on the findings, the following recommendations are offered to overcome the Lack of foreign investment.

- Libyan banks must benefit from external auditing best practices to promote the reliability of financial reports by relying on the CG best practices for increasing foreign investor confidence.

- Supervisory bodies should monitor the banks' compliance with corporate governance principles, and review the regulations and legislation that may impede the application of governance principles.
- Banks should invest and work more in making their websites easier to use and to present more useful and relevant information to promote disclosure, transparency and provision information.

The web survey findings were generally aligned to the findings of the literature review. The web survey participants accepted all three tested hypothesis namely i) The degree of emphasis on corporate governance is positively associated with the emphasis on the quality of audit services in Banking Sector of Libya. ii) A greater emphasis on corporate governance is positively associated with foreign investor confidence in Banking Sector of Libya. iii) The degree of emphasis on audit services quality is positively associated with foreign investor confidence in Banking Sector of Libya.



## CONCLUSION

This paper examined the relationship between corporate governance, audit services quality and foreign investors' confidence. The three hypotheses were fully supported, broadly indicating that Corporate Governance Practices are related to Audit Services Quality and they both in turn are related to Foreign Investors' Confidence.

## REFERENCES

- Wells, L. T. J., & Wint, A. G. (1990). *Marketing a country: promotion as a tool for attracting foreign investment*. The World Bank.
- Asiedu, E. (2006). Foreign direct investment in Africa: The role of natural resources, market size, government policy, institutions and political instability. *World economy*, 29(1), 63-77.
- Sunde, T. (2017). Foreign direct investment, exports and economic growth: ADRL and causality analysis for South Africa. *Research in International Business and Finance*, 41, 434-444.
- Alfaro, L., Chanda, A., Kalemli-Ozcan, S., & Sayek, S. (2006). *How does foreign direct investment promote economic growth? Exploring the effects of financial markets on linkages* (No. w12522). National Bureau of Economic Research.
- Root, F. R., & Ahmed, A. A. (1979). Empirical determinants of manufacturing direct foreign investment in developing countries. *Economic Development and Cultural Change*, 27(4), 751-767.
- Tuomi, K. (2011). The role of the investment climate and tax incentives in the foreign direct investment decision: Evidence from South Africa. *Journal of African Business*, 12(1), 133-147.
- Ershova, N. (2017). Investment climate in Russia and challenges for foreign business: The case of Japanese companies. *Journal of Eurasian studies*, 8(2), 151-160.
- Alawaqleh, Q., & Al-Sohaimat, M. (2017). The Relationship between Accounting Information Systems and Making Investment Decisions in the Industrial Companies Listed in the Saudi Stock Market. *International Business Research*, 10(6), 199.
- Gallagher, K. P., & Tian, Y. (2017). Regulating capital flows in emerging markets: the IMF and the global financial crisis. *Review of development finance*, 7(2), 95-106.
- Adewole, C., Job, M. N., & Amune, J. A. (2017). The Effect Of Corporate Governance On Profits Of Money Deposit Banks In Nigeria. *International Journal of Management Science Research*, 3(1), 192.
- Shamsudin, S. M., Abdullah, W. R. W., & Osman, A. H. (2018). Corporate Governance Practices and Firm Performance after Revised Code of Corporate Governance: Evidence from Malaysia. In *State-of-the-Art Theories and Empirical Evidence* (pp. 49-63). Springer, Singapore.
- Heenetigala, K. (2011). *Corporate governance practices and firm performance of listed companies in Sri Lanka* (Doctoral dissertation, Victoria University).
- Wu, C. Y. H., Hsu, H. H., & Haslam, J. (2016). Audit committees, non-audit services, and auditor reporting decisions prior to failure. *The British Accounting Review*, 48(2), 240-256.
- McKinsey & Company, J. (2002). Global Investor Opinion Survey: Key Findings. Available at: www.Mckinsey.com/governance (accessed July).
- Shleifer, A., & Vishny, R. W. (1997). A survey of corporate governance. *The journal of finance*, 52(2), 737-783.
- Ibrahim, H., & Samad, F. A. (2011). Corporate governance mechanisms and performance of public-listed family-ownership in Malaysia. *International Journal of Economics and Finance*, 3(1), 105.
- Nekaa, N., & Sami, B. (2017). Internal Governance Mechanisms and Commercial Performance of Tunisian Financial Institutions. *Journal of Internet Banking and Commerce*, 22(S8).
- Klai, N., & Omri, A. (2011). Corporate governance and financial reporting quality: The case of Tunisian firms. *International Business Research*, 4(1), 158-166.
- De Andres, P., & Valledado, E. (2008). Corporate governance in banking: The role of the board of directors. *Journal of banking & finance*, 32(12), 2570-2580.
- Fuzi, S. F. S., Halim, S. A. A., & Julizaerma, M. K. (2016). Board independence and firm performance. *Procedia Economics and Finance*, 37, 460-465.
- Puspitaningrum, D., & Atmini, S. (2012). Corporate governance mechanism and the level of internet financial reporting: Evidence from Indonesian companies. *Procedia Economics and Finance*, 2, 157-166.
- Ojeka, S., Iyoha, F. O., & Obigbemi, I. F. (2014). Effectiveness of audit committee and firm financial performance in Nigeria: an empirical analysis. *Journal of Accounting and Auditing: Research & Practice*.
- Al-Matari, E. M., Al-Swidi, A., & Fadzil, F. H. B. (2013). The effect of the internal audit and firm performance: A proposed research framework. *International Review of Management and Marketing*, 4(1), 34-41.
- Al-Ramahi, N., Barakat, A., & Shahwan, Y. (2014). The impact of corporate governance principles application on financial performance of public shareholding companies listed in Amman stock exchange. *European Journal of Accounting Auditing and Finance Research*, 2(6), 100-117.
- Salim, R., Arjomandi, A., & Seufert, J. H. (2016). Does corporate governance affect Australian banks'

- performance?. *Journal of International Financial Markets, Institutions and Money*, 43, 113-125.
26. Fung, B. (2014). The demand and need for transparency and disclosure in corporate governance. *Universal Journal of Management*, 2(2), 72-80.
  27. Aničić, J., Aničić, D., & Majstorović, A. (2017). Accounting and financial reports in the function of corporate governance. *Journal of Process Management. New Technologies*, 5(2), 45-54.
  28. Efhialelbum, A., & Flatau, P. (2013). Did Foreign Direct Investment contribute to the Libyan Economic Growth in Transition Period?. *Mediterranean Journal of Social Sciences*, 4(9), 46.
  29. Hamoudi, M. K. T. E. (2015). The Role of Foreign Investment in Economic and Social Development In Libya. *International Journal of Scientific & Technology Research*, 4(8), 139-147.
  30. Abushhewa, A., & Zarook, T. (2016). The effects of foreign direct investment on economic growth in Libya: A causality analysis. *Open Science Journal*, 1(2).
  31. Scutaru, L. (2015). Stimulating Economic Growth through Foreign Direct Investment. *Academic Research International*, 6(2), 147.
  32. Beck, A. K., Fuller, R. M., Muriel, L., & Reid, C. D. (2013). Audit fees and investor perceptions of audit characteristics. *Behavioral Research in Accounting*, 25(2), 71-95.
  33. Hubens, R. J. P. R. (2012). The Influence of the Financial Crisis on Auditor Changes and Earnings Management. *Tilburg University, Available at: <http://arno.uvt.nl/show.cgi>*.
  34. Sonu, C. H., Ahn, H., & Choi, A. (2017). Audit fee pressure and audit risk: evidence from the financial crisis of 2008. *Asia-Pacific Journal of Accounting & Economics*, 24(1-2), 127-144.
  35. Reid, L. C. (2015). Are auditor and audit committee report changes useful to investors? Evidence from the United Kingdom.
  36. Rena, B. E., Genc, E. G., & Ozkul, F. U. (2016). The Impact of the Opinions of the Independent Auditors on the Investor Decisions in Banking Sector: An Empirical Study on the Banks Operating in Turkey. *Accounting and Finance Research*, 5(1), 157.
  37. Agbara, A. H. (2011). *An investigation into audit quality in Libya* (Doctoral dissertation, University of Gloucestershire).
  38. Zakari, M., & Menacere, K. (2012). The challenges of the quality of audit evidence in Libya. *African Journal of Accounting, Auditing and Finance*, 1(1): 3-24.
  39. Sawan, N., & Alzeban, A. (2015). Does Audit Quality in Libya Meet the International Standards Levels? *International Journal of Business and Management*, 10(6): 155.
  40. El-Kailani, E. (2012). Extractive industry and conflict risk in Libya, Tripoli: Civil Society Dialogue Network.
  41. Alghodban, A., & Ramli, N. M. (2015). Corporate Social Responsibility Disclosure in Libyan Companies. *International Journal of Business, Economics and Law*, 8(1): 2289-1552.
  42. Faraj, S., & El-Firjani, E. (2014). Challenges facing IASs/IFRS implementation by Libyan listed companies. *Universal Journal of Accounting and Finance*, 2(3), 57-63.
  43. Sawani, Y. M. (2018). Public Administration in Libya: Continuity and Change. *International Journal of Public Administration*, 41(10), 807-819.
  44. Zakari, M. (2013). Problems Affecting the Efficiency of Libyan External Auditors.
  45. Zagoub, A. A. (2011). *Corporate governance in Libyan commercial banks* (Doctoral dissertation, University of Dundee).
  46. Al-Jahani. & Aftitem, S. (2012). The extent of availability of the requirements of the principle of disclosure and transparency as one of the principles of corporate governance in Libyan commercial banks. Master Thesis, Benghazi University, Faculty of Economics, Benghazi.
  47. Tembe, P. E., & Xu, K. (2012). Attracting foreign direct investment in developing countries: Determinants and policies-A comparative study between Mozambique and China. *International Journal of Financial Research*, 3(4), 69.
  48. Eddine, G. S., Mohammed, B., Rabeh, P. K., & Hana, D. A. (2017). The Problem of Taking Advantage of Foreign Direct Investment Technology in Developing Countries: The Case of China. *Journal of Economics*, 5(1), 29-39.
  49. Chirila Donciu, E. (2014). Promoting and Attracting Foreign Direct Investment. *Centre for European Studies (CES) Working Papers*, 6(3).
  50. Lee, H., Biglaiser, G., & Staats, J. L. (2014). Legal system pathways to foreign direct investment in the developing world. *Foreign Policy Analysis*, 10(4), 393-411.
  51. Zimmermann, J., Sofka, W., & Hervas, F. (2013). Attracting Foreign Direct Investment without Weakening Domestic Firms. *Policy Brief September*.
  52. Guedhami, O., Pittman, J. A., & Saffar, W. (2009). Auditor choice in privatized firms: Empirical evidence on the role of state and foreign owners. *Journal of Accounting and Economics*, 48(2-3), 151-171.
  53. Laux, C., & Leuz, C. (2009). The crisis of fair-value accounting: Making sense of the recent debate. *Accounting, organizations and society*, 34(6-7), 826-834.
  54. Doidge, C., Karolyi, G. A., & Stulz, R. M. (2009). Has New York become less competitive than London in global markets? Evaluating foreign listing choices over time. *Journal of Financial Economics*, 91(3), 253-277.

55. International Monetary Fund (IMF). (2006). Country Report No. 6/140 on Libya (No. 136): Publication Services 700 19th Street, N. W. Washington, D. C.
56. Ong, N. (2016). Economic sanctions and Libya: On the factors that influence the success.
57. International Monetary Fund. (2008). The Socialist People's Libyan Arab Jamahiriya (Country Report No. 08/302). Washington: IMF.
58. World Bank. (2006). Socialist People's Libyan Arab Jamahiriya Country Economic Report. Report No. 30295-LY: Washington DC.
59. Sheibani, G. N. (2013). Evaluation of the Libyan experience to attract FDI to Libya over the past decade 2000-2011.
60. Zhuang, J., Gunatilake, H. M., Niimi, Y., Khan, M. E., Jiang, Y., Hasan, R., ... & Huang, B. (2009). Financial sector development, economic growth, and poverty reduction: A literature review.
61. Elsakit, O. M. (2017). Influences on the Development of the Libyan Banking Sector.
62. Faraj, S., & Akbar, S. (2009). Reliability of the Audited Financial Statements the Case of Libya (pp. 1–33). In *Paper presented* (pp. 21-23).