

## Islamic Financial Services in Africa: Development and Operations of the Big Emerging Markets

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**Abstract :** The emergence and operations of Islamic Financial Institutions (IFIs) are being regarded as the new economic and financial pride at the global stage today. Admittedly, therefore, the IFIs has continued to impact positively on the economies of its host countries, especially the Gulf Cooperation Council (GCC) region, Asian and Western countries as well as making a steady in-road into the sub-Saharan Africa. Hence, the number of countries that adopted Islamic financial system in Africa has continued to increase. As a matter of fact, this paper examines the role and contributions of Islamic Financial Institutions (IFIs) to the economic growth and financial development of the big emerging markets in the African continent i.e. South Africa, Nigeria, and Egypt. The methods adopted for this study are descriptive, comparative and analytical in nature. Essentially, the findings from this study reveal that the three sampled countries are benefitting from the presence of IFIs in their economies in terms of contributions to economic growth and real sector participation, particularly for Egypt and South Africa. Similarly, they reap from foreign direct investments and economic diversification among others. However, this study recommends that African countries should integrate IFIs as part and parcel of their economic and financial systems, in order to benefit optimally from this new economic phenomenon.

**Keywords :** Islamic financial services, Africa, emerging markets, development, operation

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