



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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MEDIA STATEMENT

DEMARICATION REGULATIONS: 2025 ESCALATION OF POLICY BENEFITS

The Minister of Finance has approved the publication of the 2024 annual Policy Benefit Escalations as defined by the Demarcation Regulations (Regulations) issued in terms of section 72 of the Long-term Insurance Act, No. 52 of 1998 (LTIA) and section 70 of the Short-term Insurance Act, No. 53 of 1998 (STIA).

The Regulations specify which types of contracts are regulated under the LTIA and the STIA as health policies, and accident and health policies, respectively, and are therefore excluded from the Medical Schemes Act, No. 131 of 1998 (MSA).

Regulation 7.2(2) of the Regulations provides that all amounts referred to in sub-regulation (1) escalate annually, from the effective date, by the Consumer Price Index (CPI) annual inflation rate (4.4 percent) published by Statistics South Africa.

The escalation of the policy benefits will occur annually, as long as Regulation 7.2(2) allows for automatic escalation. The National Treasury publishes these amounts each year to ensure clarity on the escalated policy benefits.

The following supporting Annexures are updated annually and available on the websites of the National Treasury at www.treasury.gov.za and the Financial Sector Conduct Authority at www.fsca.co.za:

Annexure A: Regulation 7.2(2) (LTIA)

Annexure B: Regulation 7.2(2) (STIA)

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