

APEX, in 1984 (APEX became a COPEC affiliate in 1986); ABASTIBLE, in 1984 (ABASTIBLE is affiliated to COPEC); GASPEC, in 1985 (now called GAZPESA); and TEXACO in 1992.

The new distribution companies, with the exception of COMAR, do not own wholesale distribution facilities, but rather, operate by renting storage facilities from EMALCO and ENAP. At the same time, traditional wholesale distributors (COPEC, ESSO, SHELL) own their own storage facilities throughout the country, including sea terminals.

GASCO, ABASTIBLE, ENAGAS and other affiliates of these are devoted to wholesale LPG gas distribution.

ENAP, RPC, and PETROX are in charge of initial distribution of petroleum derivatives and LPG, supplying 92% of the market through direct sales to large consumers and distribution companies.

Investments on the part of distribution companies has been relatively significant in terms of geographic coverage of their services, service station services and, in terms of developing a corporate image for medium range consumers. In 1991, there were 1,233 service stations, 39.5% of which sold under the trade name, COPEC; 21% through ESSO; 22.3% through SHELL; 9.7% through COMAR; and 7.5% through others. Approximately one-third of the service stations operate within the Metropolitan Region.

#### **4.5 CURRENT GOVERNMENT POLICIES AND LEGISLATION**

##### ***Historical Background***

Since 1928, the State is the legal owner of all oil deposits and has the right to exploit and develop them. This ownership right was strengthened by the 1932 Mining Code and the 950 ENAP Act, which stated that "the State has the absolute, inalienable, and indefensible right of property to oil deposits, wherever they may be."

The exclusive right of the state regarding refining activities were reaffirmed by the ENAP organic law, which states that only ENAP is allowed to refine oil in Chile. Some small private refineries were allowed to operate, however, only by special laws and under fairly restrictive conditions. This situation lasted until the sixties, when they closed down.

Primary and secondary distribution of oil-based products has been traditionally carried out by private firms, under strict State enforcement of 1932 Decree Law N°519.