

is around US\$10 million, independent of the bank's nationality. However, foreign banks cannot publicize the capital and assets of their headquarters without also publicizing these same variables for the subsidiary.

16.3. Insurance companies

The insurance market has experienced significant growth in Chile since the mid-1980s. Part of this growth is due to the evolution of the Chilean economy, but most of it stems from the development of private pension funds (present assets close to US\$14 billion, or more than one third of GDP). Thus, the fastest growing segment of the market for many years has been life insurance, closely tied to the provision of old-age, disability, and survival pensions.

Out of a total of 20 general insurance companies in Chile, 7 are owned by foreigners, and have a substantial share of the market: they account for 61% of the assets, 31% of the capital, and 25% of the profits. Life insurance companies total 26, with 11 under foreign ownership. The latter have a majority share of the market (more so than in general insurance), with 52% of total assets, 41% of capital and 55% of the profits.

The operation of insurance companies is regulated by DFL No251 of 1931. In contrast to the situation in the banking sector, this legislation does not provide for the establishment of foreign subsidiaries or agencies of foreign insurance companies. The law establishes that insurance activities can be performed only by