

The impact of public policies on film production in Ecuador during the decade 2007-2017

Incidencia de las políticas públicas en la producción cinematográfica de Ecuador durante la década 2007-2017

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Abstract

The aim of this study is to determine the impact of public policies on film production in Ecuador during the decade 2007-2017. With the creation of the Law for the Promotion of National Cinema in 2006, the country initiated a change in film production. The present research is qualitative with an exploratory approach. A literature review was carried out to identify the progress of cinema in the country since the Law for the Promotion of Cinema issued in 2006 and a year later the creation of the National Film Council. Surveys were applied to a group of 200 filmmakers and audiovisual producers for which a questionnaire with six closed questions was designed. As results, it is evident that the lack of foreign investment, the limited application of the Organic Law of Culture and the Communication Law have left cinema out of the priority issues of national development, thus minimizing the creation, distribution and equitable access to different audiovisual contents. The participation of the audiovisual sector in Ecuador's GDP until 2010 was only 0.36 %, the one with the highest number of productions was 2015 with 67 projects and an amount of \$1 646 338 with respect to previous years. Despite these gaps, Ecuadorian cinema continues to be characterized by its creativity, entertainment storytelling and resistance that still awaits an upturn.

Keywords

Cinematography, public policy, production, impacts, communication, culture, creation, exhibition.

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Resumen

El propósito de este estudio es determinar la incidencia de las políticas públicas en la producción cinematográfica de Ecuador durante la década 2007-2017. Con la creación de la Ley de Fomento al cine nacional en el 2006, el país inició un cambio en la producción cinematográfica, la presente investigación es cualitativa con un enfoque exploratorio. Se realizó una revisión bibliográfica para identificar el avance del cine en el país a partir de la Ley de Fomento de Cine expedida en el 2006 y un año posterior la creación del Consejo Nacional de Cinematografía. Se aplicaron encuestas a un grupo de 200 cineastas y productores audiovisuales para lo cual se diseñó un cuestionario con seis preguntas cerradas. Como resultados, se evidencia que la falta de inversión extranjera, la limitada aplicación de la Ley Orgánica de Cultura y la Ley de Comunicación han dejado el cine fuera de los temas prioritarios de desarrollo nacional, minimizando de esta manera la creación, distribución y acceso equitativo a diferentes contenidos audiovisuales. La participación del sector audiovisual en el PIB del Ecuador hasta el 2010 fue solo del 0,36 %, el con mayor cantidad de producciones fue el 2015 con 67 proyectos y un monto de \$1 646 338 respecto a años anteriores. A pesar estas brechas, el cine ecuatoriano sigue caracterizándose por su creatividad, relato de entretenimiento y resistencia que todavía aguarda por un despunte.

Palabras clave

Cinematografía, políticas públicas, producción, impactos, comunicación, cultura, creación, exhibición.

Introduction

This study addresses the impact of public policies for the development of the film industry in Ecuador during 2007-2017. It was very difficult to make films in the country due to the high costs of technical resources and lack of support from private enterprise and public institutions; although this activity is a source of economic income it is still not prioritized by the government; considering that it is an effective educational tool to revitalize culture, the identity of peoples, as well as the reconstruction of collective memory.

As stated by Alvarado (2020), cinema contributes to the development of people's awareness with the contents, sometimes making urgent problems visible, as in the case of discrimination and xenophobia. Although the discourse handled is presented in movie theaters, the audience mostly prefers films for entertaining, leaving aside the sociocultural part that affects their daily li-

ves. Currently, digital cinema uses technology to distribute and project moving images, where three fundamental elements are involved in the whole process: production, distribution and exhibition (Batlle and Doll, 2020).

Background of Ecuadorian cinema

The history of cinema in Ecuador has characterized by constrains to its integral development, and the scarce public policies have not allowed an adequate and competitive production at international level. In its beginnings, cinema was a space for leisure that focused on the middle and upper classes, with very little for the lower classes. In the city of Quito, Jorge Córdovez founded the movie theater company, in 1914 he built and inaugurated four theaters, and did raffles of sweets and household appliances to attract the public. In 1920, some newspapers such as *El Telégrafo* published Sunday sections about Hollywood. In addition, in the cities of Cuenca and Guayaquil this industry developed between 1923 and 1925, respectively. In the former, the priest Carlos Crespi collected cinematographic material in the Amazon jungle; while in the latter, Carlo Bocaccio and Augusto San Miguel founded a school to start a training process for mime actors (Loaiza and Gil, 2015).

From 1970 onwards, it is possible to speak of Ecuadorian cinema, because before this time, productions were limited, mostly corresponding to the documentary genre made by foreign directors. In addition, fiction works had a high melodramatic content in the Mexican style (Gavilondo and Mercado, 2017). Since 1990, the professionalization of this industry of production and distribution areas begins with Sebastián Cordero's *film* "Ratas, ratones y rateros". Three stages can be established to address the beginnings of filmmaking in Ecuador; the first (1999-2006) is characterized by having a level of willingness to make films considering socio-political aspects of instability, and in the same way the new technological era allowed acquiring new knowledge to improve production aspects. The second stage (2007-2013) was framed by important political and social changes; the creation of CNCINE was a key aspect in the transformation of the film industry. The third stage arises from 2013 in which the executive director of CNCINE is changed, presidential reelection and also the approval of the Organic Law of Communication (Narváez, 2014).

Ecuadorian cinema in the regional context

There is a similar reality of Ecuadorian cinema with respect to other countries of the region that also face challenges at the production and distribution level. The high presence of U.S. films in the international market becomes a limiting factor for national production, in addition to lack of adequate material and technical resources to position itself in the consumer's mind, as Leal (2020) states "the scarcity of economic resources has consequences on the low technical quality of productions" (p.85). Countries such as Cuba, Mexico, Argentina and Brazil stood out for the production of feature films until the mid-twentieth century.

Becerra and Mastrini (2011) have classified different countries into subsets according to relative access to goods, communication services and culture, which are presented below:

- Argentina, Chile and Uruguay are the countries with the highest comparative levels of social access to media, cultural industries and telecommunications.
- Colombia, Venezuela and Peru have lower indicators of access to these industries than the countries mentioned above; thus, they are above the regional average.
- Brazil and Mexico are countries with high geographic density and infocommunication markets, but despite this advantage, they are below average.
- Ecuador, Paraguay and Bolivia have very limited social access to the cultural industry; the average is well below the regional average.

Public policies

Wilson (2018) defines public policies as actions executed by the government in the different areas of its activity. They are raised to provide solutions to specific problems demanded by society; these policies must be comprehensive, capable of modifying the current reality to look for the welfare of the population. During Rafael Correa's term in office, the National Plan for Good Living 2013-2017 was designed, in which twelve specific objectives with policies, strategic guidelines and goals focused on improving the country's productive matrix in a sustainable way are set forth. Section 5.4 states:

Promote cultural and creative industries and enterprises, as well as their contribution to the transformation of the productive matrix) to meet the objective of “promoting cultural industries with diverse and inclusive content”. (Secretaría Nacional de Planificación y Desarrollo –Senplades–, 2013)

Since 2016, this regulation was replaced by the Organic Law of Culture in which the Institute of Cinema and Audiovisual Creation (ICCA) was established as a body responsible for the promotion of this industry and to control the audiovisual content for the promotion and national and international dissemination of different productions.

In the government of Rafael Correa, resources were invested in audiovisual production, not in a big proportion, but these were higher compared to previous years. In 2013 studies, there were around 40 festivals a year in schools of Ecuadorian cinema in Paris, New York, also of community cinema, small documentaries on the coast, i.e., there were productions: feature films, animations, short films. Works such as *Tigra*, *Ratas*, *ratones y rateros* are still icons because very little had been produced before, one every 5 years. In the government of Lenin Moreno this number reduced even more. (Trujillo, personal communication, 2021)

Likewise, Article 139 of this law establishes the distribution of resources, emphasizing the following:

Reimbursable and non-reimbursable funds, as well as any assistance or financing in the film and audiovisual sector must be provided to beneficiaries through public project bidding systems and respecting criteria of quality, efficiency, and democratization.

However, in 2017 due to weak management, many projects were suspended and failed to release due to the limited existing economic resources; in addition, other areas of interest were prioritized since it was an election year, leaving aside the artistic and cultural part (Larrea, 2017). In this sense, from a personal communication, Trujillo (2021) states that:

Current public policies are insufficient; there should be creation of film commissions to facilitate productions, as well as tax incentives for the entire cultural system. Although there is a Ministry of Culture and Heritage and institutes have been created, there is still no real policy of encouragement,

creation, promotion, and dissemination that allows understanding that culture is a human right that all citizens deserve.

Currently, according to the ICCA there are 192 cinematographic works registered between 2017-2019 with the National Secretariat of Intellectual Property Rights (SENADI) among which 64 % are feature films, 34 % short films and 2 % correspond to medium-length films (Sánchez, 2020). Based on statistical figures, there are 302 movie theaters in the country in 21 cities, most of them are in the largest cities: 108 in Guayaquil, 95 in Quito, the remaining number, i.e., 99 are located in 19 cities. Approximately 87 % belong to three large chains: Supercines, Cinemark and Multicines (López *et al.*, 2019).

Domestic production

Some stages are necessary for designing a film production, among which are: pre-production, production, and post-production. In the first stage, the idea is shaped, researching and organizing elements such as: budget, locations, scripts, technical and artistic team; in the second stage, the filming is carried out and, finally, in the last stage, the visual and sound editing is performed, where the shots are arranged and the narrative sequences are built (Nodar, 2021). Some films that have participated in international festivals and have become references in this industry are: “Ratas, ratones y rateros” (1999) and “Crónicas” (2004) by Sebastián Cordero, as well as “Qué tan lejos” (2006) by Tania Hermida are the feature films and have taken Ecuadorian cinematography to other countries. In addition, “Con mi corazón en Yambo”, directed by filmmaker María Fernanda Restrepo in 2011 has won 16 international awards with a successful premiere reaching 150,000 spectators; to date it continues to be presented in educational and human rights advocacy spaces.

“La muerte de Jaime Roldós” directed by Manolo Sarmiento and Lisandra Rivera in 2013 presents a documentary approach with an analysis of national history and a reconstruction of significant events that have allowed the formation of national identity and culture. At the international level, Ecuadorian cinema has had important recognitions and awards, in 2017 the film “Alba” by Ana Cristina Barragan won the award for best fiction film and best screenplay at the International Film Festival of the Countries of the South of the World better known as FIC SUR. On the other hand, the short

film “Vida” by Daniel Yépez won the Best Short Documentary category at the sixth International Urban Film Festival (Universidad de las Artes, 2017).

The importance of cinema lies in evoking new knowledge and reactivating debates that were made only subjectively (León, 2019). Before the enactment of the Cinema Law in Ecuador only three feature films were made. The first one “Dos para el camino” in 1981 directed by Jaime Cuesta, and “La Tigra” by Camilo Luzuriaga released in 1990 and was one of the highest grossing films in that year that even beat Batman with 250 000 spectators, and the third feature film was “Entre Marx y una mujer desnuda” based on Jorge Riga. Three feature films were made in twenty years, but there was a boom of productions since the enactment of the Film Law in 2006. The average has remained between ten and twelve feature films to date (Ponce, 2021).

Materials and methods

This research is qualitative; it has an exploratory approach because “this type of research allows having a first approach to the problem that is expected to analyze and know, and helps the researcher to adapt to a problem that is unknown” (Cortez *et al.*, 2018, p. 22). Specialized literature on the topic was reviewed, as well as the legal regulations governing the film industry in Ecuador, among which are: the National Film Law of 2006, the Organic Law of Culture of 2016 and the Organic Law of Communication with its latest amendment in 2019, in order to analyze their impacts on the development of cinema.

On the other hand, surveys were applied to key actors in order to gather information about their perception on the subject of public policies, their impacts and whether modifications should be made to improve national cinema; also, to know their criteria on the merger of different institutions that currently govern the subject of art, cinema and culture. Non-probabilistic intentional sampling was used considering aspects according to the researcher’s judgments as expressed by Hernández and Carpio (2019), “with this method, groups that meet characteristics of interest are included, in addition to intentionally selecting individuals from the population with generally easy access” (p.78); in total 200 filmmakers and producers who are members of the Chamber of Audiovisual Industry of Ecuador were surveyed. The instrument used was a structured questionnaire with six closed questions.

Results

Rafael Correa governed from 2007 to 2017, time in which several transformations occurred at a sociocultural, political, economic level, and in cinematography with the approval of the Organic Law of Culture of 2016 that repealed and replaced the Promotion Law of National Cinema of 2006 established in the government of Alfredo Palacios and on the other hand, the Organic Law of Communication with its last modification in 2019. In 2007, this government also reformed Executive Decree No. 5 of January 15, which created the Ministry of Culture and Heritage through Executive Decree No. 1507 published in Official Gazette Supplement 960 of May 23, 2013. This entity exercises stewardship of the National Culture System to protect and promote the diversity of cultural expressions; thus, safeguarding the social memory and cultural heritage, ensuring the full exercise of rights.

The Law for the Promotion of National Cinema aimed to positively contribute to the dissemination and knowledge of customs, history and cultural expressions that are part of the identity of Ecuadorians. Likewise, with the approval of this law, the National Film Council (CNCINE) was created, which allowed important advances in the industry, increasing the number of national productions. The existence of this legal body and the institutionalism of the film industry was developed through the initiative and management of filmmakers. In addition, this law created a Film Development Fund (FFC) which promoted the development of national cinema in its different areas through economic resources from the Ecuadorian State: promotion of production, promotion of circulation and film culture (El Telégrafo, 2016).

Since 2016 this regulation was replaced by the Organic Law of Culture, in which the Institute of Cinema and Audiovisual Creation (ICCA) was established as a body in charge of promoting this industry and controlling the circulation of audiovisual content for the promotion and national and international dissemination of different productions. Article 3, in paragraphs b, c, d of this legal regulation establishes the following: b) to promote and encourage the free creation, production, valuation and circulation of products, cultural services and ancestral knowledge and wisdom, c) to acknowledge the work of those who participate in the artistic creation and cultural processes and patrimonial production and management, d) to acknowledge and encourage the contribution to the economy of cultural and creative industries, and strengthen their productive dynamics, articulating the participation of public, private, mixed and popular and solidarity economy sectors.

Article 8 of this law establishes that agencies and institutions of the National Culture System shall implement policies that promote creation, artistic and cultural activity, expressions of popular culture, training, research, promotion and strengthening of cultural expressions, the recognition, maintenance, conservation and dissemination of cultural heritage and social memory and the production and development of cultural and creative industries.

Article 9 establishes the creation of the Integral Cultural Information System, whose purpose is to compile, synthesize, disseminate and enhance the value of cultural and heritage information generated by public, private or community organisms, the artistic community and the public. It is also a tool for the visibility and strengthening of the sector and a means to improve the organization, integration and interrelation of culture and art professionals.

Article 110 of the Organic Law of Culture states:

The Fund for the Promotion of Arts, Culture and Innovation is hereby created in accordance with the provisions of the Planning and Public Finance Code. This fund shall allocate resources of a non-refundable nature, to creators, producers and cultural managers in accordance with the regulations issued for such purpose, seeking the artistic, cultural and creative strengthening of our society, with quality, diversity, territorial equity and interculturality.

Likewise, Article 139 of this law establishes the distribution of resources, emphasizing the following:

Reimbursable and non-reimbursable funds, as well as any assistance or financing in the film and audiovisual sector, must be provided to beneficiaries through public project bidding systems and respecting criteria of quality, efficiency, and democratization.

Based on the above, figures from the Institute for the Promotion of Creativity and Innovation were reviewed to identify the annual amount that has been granted in the calls for proposals and thus demonstrate compliance with legal regulations and whether or not the number of productions has increased during Rafael Correa's term in office.

Table 1

Annual amounts awarded in ICCA calls for proposals.

First semester

Institution	Year	Number of projects	Amount
CNCINE, Call	2007	43	839 000
CNCINE, Call	2008	27	541 500
CNCINE, Call	2009	33	545 000
CNCINE, Call	2010	34	660 000
CNCINE, Call	2011	45	700 000
CNCINE, Call	2012	42	700 000
CNCINE, Call	2013	38	904 000
CNCINE, Call	2014	61	1 980 000
CNCINE, Call	2015	67	1 646 338
CNCINE, Call	2016	20	485 000
ICCA, Development Fund	2017	33	756 000

Note. Taken and adapted from Cinema, in Figures of the Institute for the Promotion of Creativity and Innovation, 2020.

Analysis

Table 1 shows the annual amount granted to film projects from 2007 to 2016 through the National Film Council of Ecuador. In this decade, the years with the highest number of productions were 2007 with 43 projects and with a considerable amount of \$839 000 with respect to previous years where cinema was not taken into account. The years 2011 and 2012 with 45 and 42 projects, respectively had a similar amount of \$ 700 000. 2014 with 61 productions and 2015 with 67 were years where the amount was higher with respect to previous years with 1 980 000 and 1 646 338, respectively. However, 2016 presented the lowest amount of the entire decade as it only had 20 productions and a very low economic amount.

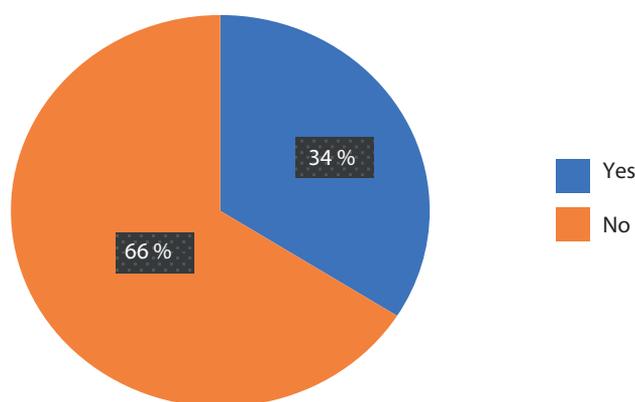
In 2017, the ICCA grants an amount of \$756,000 through the Development Fund line, which is higher than the previous year, corresponding to 33 projects. In this period there was an advance in terms of film productions, being a significant progress.

The competitive funds are good; however, there is no follow-up of the state when an award is won or of what is being done regarding an audiovisual production. In addition, there is no statistical measurement or studies on tangible results in the reports presented: there should be a socio-cultural analysis of the work that is developed. (Trujillo, personal communication, 2021)

The results of the survey are presented below. In the first question: Do you believe that public policies of the film industry have favored the development of cinema in Ecuador? A majority percentage represented by 66 % indicates that public policies have not favored the development of cinema in Ecuador, while a minority percentage of 34 % reflects an affirmative answer to this question. National legislation is not sufficient in the country as can be seen in Figure 1. In addition, there are still limitations that favor the development of this industry; therefore, an active participation of different public-private actors is necessary to promote policies that adjust to the national reality. In this sense, Trujillo (2021) points out that:

A circulation, projection and exhibition policy has not been designed; small local festivals are needed, as well as contributions from the state where rights are released, and a strong legal framework that guarantees the rights of creation, promotion, circulation and visualization.

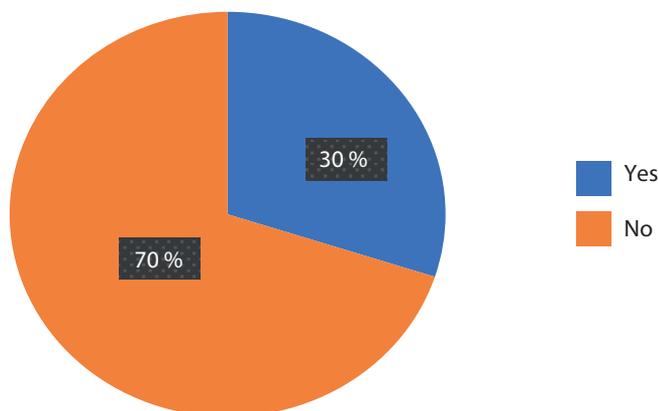
Figure 1
Public policies in film development



Note. Surveys applied to filmmakers and audiovisual producers in Ecuador, 2021.

The second question: Do you consider that national legislation is sufficient for the development of cinema? Seventy percent of respondents believe that the national legislation is not sufficient for the development of cinema, while a percentage represented by 30 % had an affirmative answer. The current legal regulations are necessary to improve this area, the laws that govern national cinema still present flaws at the level of application. Some are fully complied with while others are not; this generates disadvantages for those who are dedicated to this activity, limiting the development of productions that allow them to achieve competitiveness in the international market. It is important to consider that incentives play an important role in cinematography and in the activities that are immersed in a creative industry. Improving relations with the knowledge sector: universities, institutes, research centers should be a governmental strategic axis where it is possible to achieve effectiveness in the design of policies with viable long-term strategic plans through coordinated work (Benavente and Grazi, 2017).

Figure 2
Considerations on national legislation



Note. Surveys applied to filmmakers and audiovisual producers in Ecuador, 2021.

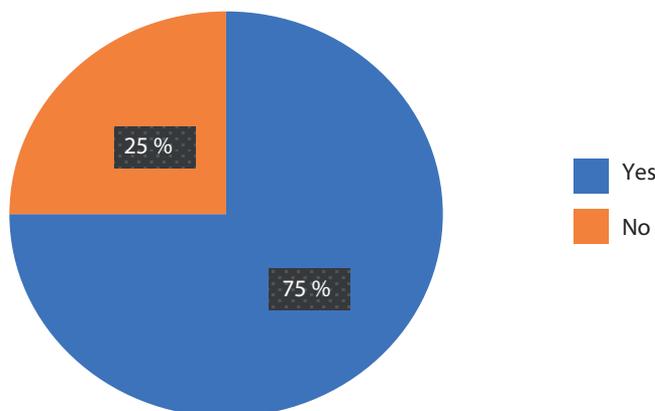
Question 3, Do you believe that the State should participate in the financing of film or audiovisual production? Seventy-five percent of respondents said that the State should be involved in this aspect, since filmmaking is a

costly activity in its different stages. Therefore, state investment is necessary to support the national work of entrepreneurs engaged in this activity. A percentage represented by 25 % expressed that the participation of the State is not necessary; different financing sources should be sought.

The amounts involved are low and there are no fiscal incentives. The largest fund that uses two categories per year can increase up to \$80 000 000, which is enough for two films per year; on the other hand, there must be a track record to get the funds. In the same way, if managing to get the money in an economic film, it is equivalent to 30 % of the budget and it is what offers more. Other projects offer \$10 000, which is not enough. (Ponce, personal communication, 2021)

Figure 3

State participation in the financing of cinematographic or audiovisual production

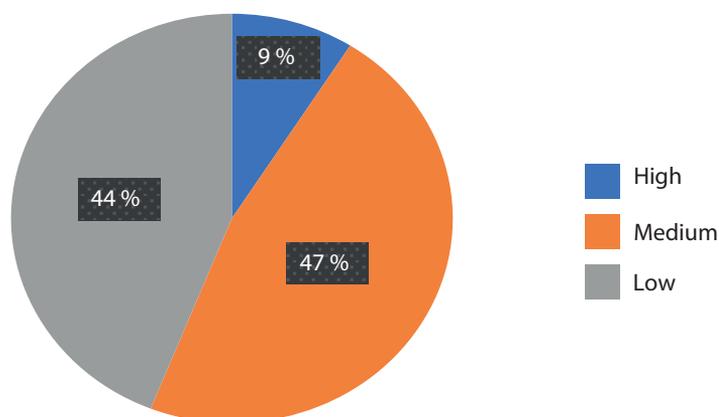


Note. Surveys applied to filmmakers and audiovisual producers in Ecuador, 2021.

The fourth question was: How would you rate the impact of the Organic Law of Culture on the development of the film industry? Most of the respondents represented by a percentage of 47 % indicate a medium impact of the Culture Law on the development of the film industry, 44 % express a low impact and only 9 % consider that this law has had a high impact on

the industry. The law should guarantee that the State, represented by the Ministry of Culture, concentrates its efforts on promoting film and audiovisual production and accompanies these processes. Article 26 (b) of this law establishes the importance of “generating public policy for research, updating, management, training, production, dissemination and activation of social memory, cultural heritage, arts and innovation”. Although there are different projects, there are still deficiencies in the statistical management of audiences. The lack of real data on reactions and perceptions of people regarding a cinematic experience is evident (López *et al.*, 2019).

Figure 4
Impact of the Organic Law of Culture

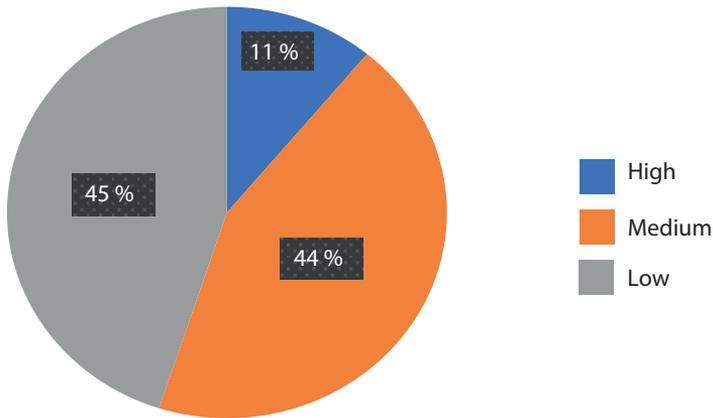


Note. Surveys applied to filmmakers and audiovisual producers in Ecuador, 2021.

The fifth question emphasizes the impact of the Organic Law of Communication on the development of the film industry; most of respondents represented by a percentage of 45 % indicate a low impact of the Organic Law of Communication on the development of the film industry while 44 % and 11 % consider a medium and high impact, respectively. The Organic Law of Communication contemplates a screen quota for national cinema in national channels. Article 97 establishes the following: “the audiovisual media, which is national, will progressively allocate at least 60 % of their daily programming in a schedule suitable for all audiences; it points out that the con-

tent must include at least 10 % of independent national production”. However, the channels prefer to pay fines rather than buy national content, where in most cases, the best purchases are for directors with a longer trajectory, leaving aside young filmmakers. A positive aspect of this regulation is the creation of community media; there can also be cultural management that allows to encourage, promote, disseminate and create products.

Figure 5
Impact of the Organic Law of Communication



Note. Surveys applied to filmmakers and audiovisual producers in Ecuador, 2021.

Question 6, Which of these aspects do you think is the greatest challenge for Ecuadorian cinema? achieving profitability is in the first place, with a percentage of 55 %.

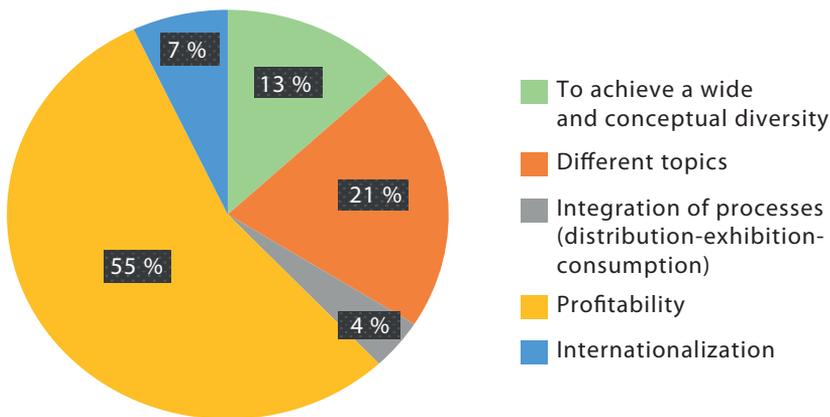
We cannot depend economically on the State for producing short films because cinema will never be a government priority. The ideal would be to support culture because cinema is the reflection of a country’s culture. In this context, it is important that the state generates the conditions for a private producer to create cinematographic works. (Smolij, personal communication, 2021)

The development of a different thematic in the productions is in the second place with 21 %. Achieving aesthetic and conceptual diversity is in

third place, with 13 %. Minority percentages represented by 7 % and 4 % correspond to internationalization and integration of processes (distribution, exhibition and consumption) respectively. In Ecuador, distribution is an activity carried out by the producers or directors of a film. At the national level, it is necessary for public policies in this industry to be comprehensive and holistic, focusing on production, marketing and exhibition with state protection in several aspects: regulation of screen quotas, preferential taxes, promotion and dissemination, as well as tax exemption on the exhibition and export of films (Larrea, 2017).

In this context, there are international organisms to achieve co-production alliances with another country by participating in their competitive funds; while there are audiovisual works that have co-production with budgets from state funds. However, cinema is not yet an industry in the country so it does not represent anything for a foreigner without the existence of fiscal funds, the country is not yet commercial to achieve an investment. (Obando, personal communication, 2021)

Figure 6
Challenges for Ecuadorian cinema



Note. Surveys applied to filmmakers and audiovisual producers in Ecuador, 2021.

Conclusions and discussion

- During the presidency of Rafael Correa; the Organic Law of Culture of 2016 established the Institute of Cinema and Audiovisual Creation (ICCA) with the aim of promoting the development of productions at national and international level. In addition, the Organic Law of Communication with its last modification in 2019 has positive guidelines as it benefits audiovisual and musical production, promoting national talent. However, among the disadvantages of this regulation are: radio and television owners and producers have been affected since they cannot broadcast international programming at the desired times.
- The Film Industry in Ecuador has had significant progress in the last ten years. In 2018 around 30 productions and 18 feature films of great impact at national and international level were conducted highlighting two genres: documentary and fiction. In identifying the transformation of the film industry from the Ecuadorian regulatory framework, the existing laws for this area still have deficiencies that do not allow achieving competitiveness, where generating profitability becomes a challenge of national cinema that must be accompanied by state incentives to encourage private investment and achieve institutional strengthening.
- In this period, cinema was not a priority area. According to data provided by the Ministry of Culture and Heritage, the participation of the audiovisual sector in Ecuador's GDP until 2010 was only 0.36 %. The years 2014 and 2015 had a high budget and developed around 67 projects; although the number of projects increased, the budgets allocated to the film industry were low to achieve a national production positioning at the international level.
- At the national level, research in cinema is limited, there are no repositories for audiovisual works, and there are no special theaters for projecting national cinema. In other words, there are no minimum conditions for the development of this area, which still cannot be considered an industry compared to countries in the region such as Argentina and Chile, which in recent years have had significant progress in the development of their productions.

Discussion

There is lack of culture in Ecuadorian with respect to cinematography, since most prefer Hollywood films. It should be considered that the purpose of state agencies is to conduct studies on audiences, consumption and also reception of cultural goods; this statistical process is still incipient considering that there is still no real importance given to this area, taking into account appropriate indicators for the dissemination of cultural products. Although efforts have been made to promote the development of the film industry, production should emphasize the expansion of its circulation, i.e., access, market and consumption. There are still challenges in capturing the viewer's attention and making him or her think critically about the film and, in the same way, keeping it in his or her memory.

Hollywood has an excess supply of productions in commercial movie theaters; they have more than 100 feature films per year compared to 17 Ecuadorian films in the same period. There is also a very high investment in promotion of the films of the six largest film studios that lead the box office, known as the Six Majors, among which are: Warner Bros. Pictures, Walt Disney Pictures, Universal Pictures, Columbia Pictures, 20th Century Fox and Paramount Pictures. Additionally, the lack of exhibition policies in national movie theaters become limiting factors to achieve box office investment recovery rates and commercial success in national productions (Vaca, 2015).

There are also differences in the distribution process developed in old and new world countries. In the former, the marketing strategies created are rigid and are directed towards large audiences. Both creators and producers participate in this process by testing and making necessary modifications according to market behavior. In addition, different low-cost technologies available compared to traditional advertising media are applied. On the other hand, in the new world sales are on the web, and in this way distribution in retail stores obtain benefits from advertising campaigns created by producers (Sayán, 2017). From this, there is the need to generate work spaces in which different social actors from public and private enterprise can develop projects using strategies from their perspective and real need; considering the importance of the role of the State in generating the conditions for cinema to develop.

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