

Paraná ICMS Ecológico — Brazil's First Ecological Fiscal Transfer (1991)

PES & Nature-Based Solutions · Good practice · Brazil

Quality score: 60/100

Evidence strength: Observational / pre–post

Summary

Brazil's first ecological fiscal transfer (1991) redistributes ~R\$500 million/year of state VAT revenue to municipalities hosting protected areas or water springs, spurring a nine-fold increase in Paraná's conserved area and since replicated in 19 other Brazilian states.

Key dimensions

Dimension	Score
Carbon — sequestration / storage, evidenced	1/3
Biodiversity — conservation / improvement, evidenced	3/3
Water & soil — retention, infiltration, erosion control	2/3
Fire resilience — risk reduction, evidenced	0/3
Governance, certification & transferability	3/3

Evaluated by C-NAPSE

Data sources

[C-NAPSE web research](#) — accessed 2026-06-22

[State of Paraná — SEMA-PR \(State Secretariat for the Environment\)](#) — accessed 2026-06-22

[CBD — Fiscal Stewardship: ICMS Ecológico in Brazil](#) — accessed 2026-06-22

[Regions4 — Ecological ICMS: Paraná's Environmental Tax Revenue Sharing](#) — accessed 2026-06-22

[ScienceDirect — ICMS-E and protected areas in Paraná](#) — accessed 2026-06-22

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