### UNIVERSITY OF COPENHAGEN



# Updating beliefs and combining evidence in adaptive forest management under climate change

# a case study of Norway spruce (Picea abies L. Karst) in the Black Forest, Germany

Yousefpour, Rasoul; Temperli, Christian; Bugmann, Harald; Elkin, Che; Hanewinkel, Marc; Meilby, Henrik; Jacobsen, Jette Bredahl; Thorsen, Bo Jellesmark

Published in: Journal of Environmental Management

DOI: 10.1016/j.jenvman.2013.03.004

Publication date: 2013

Document version Peer reviewed version

*Citation for published version (APA):* Yousefpour, R., Temperli, C., Bugmann, H., Elkin, C., Hanewinkel, M., Meilby, H., ... Thorsen, B. J. (2013). Updating beliefs and combining evidence in adaptive forest management under climate change: a case study of Norway spruce (*Picea abies* L. Karst) in the Black Forest, Germany. *Journal of Environmental Management*, 122, 56-64. https://doi.org/10.1016/j.jenvman.2013.03.004

1	This is the authors' post print version of the final paper published and to be cited as:
2	Yousefpour, R., C. Temperli, H. Bugmann, C. Elkin, M. Hanewinkel, H. Meilby, J.B. Jacobsen and
3	B.J. Thorsen, 2013: Updating beliefs and combining evidence in adaptive forest management under
4	climate change: A case study Norway Srpuce (Picea Abies, L. Karst.) in the Black Forest, Germany.
5	Journal of Environmental Management, 122, 56-64.
6	
7	Updating Beliefs and Combining Evidence in Adaptive Forest
8	Management under Climate Change: A Case Study of Norway
9	Spruce ( <i>Picea abies</i> L. Karst) in the Black Forest, Germany
10	By:
11	Rasoul Yousefpour <sup>1*</sup> , Christian Temperli <sup>2</sup> , Harald Bugmann <sup>2</sup> , Che Elkin <sup>2</sup> , Marc Hanewinkel <sup>3</sup> ,
12	Henrik Meilby <sup>1</sup> , Jette Bredahl Jacobsen <sup>1&amp;4</sup> , Bo Jellesmark Thorsen <sup>1&amp;4</sup>
13	
14 15	<sup>1</sup> Institute of Resource Economics & Food Policy, University of Copenhagen, Rolighedsvej 23, DK- 1958, Frederiksberg C, Denmark
16	* Corresponding author, e-mail: ry@life.ku.dk, tel: +45-35331698, fax: +45-35332671
17 18	<sup>2</sup> Forest Ecology, Institute of Terrestrial Ecosystems, Department of Environmental Systems Science, ETH Zürich, Universitätstrasse 16, CH-8092 Zurich, Switzerland
19 20	<sup>3</sup> Swiss Federal Institute for Forest, Snow & Landscape Research WSL, Zürcherstrasse 111, CH-8903 Birmensdorf, Switzerland
21 22	<sup>4</sup> Centre for Macroecology, Evolution and Climate, University of Copenhagen, Rolighedsvej 23, DK- 1958, Frederiksberg C, Denmark

- 24
- 25
- 26
- 27
- 28
- 29

Updating Beliefs and Combining Evidence in Adaptive Forest Management under Climate
 Change: A Case Study of Norway Spruce (*Picea abies* L. Karst) in the Black Forest, Germany

33 Abstract: We study climate uncertainty and how managers' beliefs about climate change develop and influence their decisions. We develop an approach for updating knowledge and beliefs based on 34 the observation of forest and climate variables and illustrate its application for adaptive 35 management an even-aged Norway spruce (Picea abies L. Karst) forest in the Black Forest, 36 Germany. We simulated forest development under a range of climate change scenarios and forest 37 38 management alternatives. Our analysis used Bayesian updating and Dempster's rule of combination 39 to simulate how observations of climate and forest variables may influence a decision maker's beliefs about climate development and thereby management decisions. While forest managers may 40 41 be inclined to rely on observed forest variables to infer climate change and impact, we found that 42 observation of climate state, e.g. temperature or precipitation is superior for updating beliefs and supporting decision-making. However, with little conflict among information sources, the strongest 43 evidence would be offered by a combination of at least two informative variables, e.g., temperature 44 and precipitation. The success of adaptive forest management depends on when managers switch to 45 forward-looking management schemes. Thus, robust climate adaptation policies may depend 46 47 crucially on a better understanding of what factors influence managers' belief in climate change.

48 *Keywords:* Adaptive decision-making, Bayesian updating, Dempster's rule, LandClim, Biomass
49 production

50

### 51 **1. INTRODUCTION**

Climate change is projected to have significant impacts on forest resources (Kirilenko and 52 Sedjo, 2007; Xu et al., 2009). However, uncertainty regarding the degree of climate change we are 53 facing, and uncertainty regarding how forest ecosystems will respond to climate change (Millar et 54 al., 2007; Xu et al., 2009) present severe challenges with respect to developing robust adaptive 55 management strategies (Kirilenko and Sedjo, 2007; Yousefpour and Hanewinkel, 2009). While 56 previous studies have addressed adaptive decision approaches in relation to climate change (e.g. 57 Jacobsen and Thorsen 2003; Armstrong et al. 2007; Prato 2008; Heltberg et al. 2009; Probert et al. 58 2010; Williams, 2011), few have explicitly considered how uncertainty influences the adaptive 59 decision making process (Williams, 2012), or how managers' beliefs regarding climate change will 60 influence their management decisions. 61

62 Information about climate change is dynamic and as more reliable information becomes 63 available, the uncertainty that the decision maker deals with is reduced over time (Prato 2008; Heltberg et al. 2009; Probert et al. 2010; Bernetti et al. 2011; Willliams, 2011). The aim of this 64 study is to evaluate how managers may use a combination of information sources to update 65 66 knowledge and beliefs relevant for adaptive decision making. Most studies of adaptive forest management implicitly assume managers to be rational and to have perfect knowledge of both the 67 state of the system and its possible future trajectories or distributions, given available information 68 (Pukkala and Miina 1997; Jacobsen and Thorsen 2003; Yousefpour and Hanewinkel 2009). 69 70 However, forest managers often base their decisions on multiple information sources that may be contradictory or be associated with varying uncertainty (Ducey 2001; Anada and Herath 2005;
Hoogstra 2008). In response to this divergence decision-making models incorporating various levels
of 'bounded rationality' have been developed to address variations in forest managers' use of
information and formation of expectations regarding the future (Hoogstra 2008; Jacobsen et al.
2010; Probert et al. 2010).

In a general adaptive management approach, each decision is based on observed trends and 76 fluctuations of particular stochastic variables and the resulting beliefs about the future states of 77 78 nature. Since we are not always able to describe and quantify uncertainty comprehensively, it is useful to include the formation of beliefs in the decision making model. A central aspect of such an 79 80 approach is to decide what information and observations to include in belief formation and in which 81 combinations. In the case of climate change and decision making for forest resources, one could argue that there are two obvious main sources of natural science information for assessing on-going 82 and future climate change: climate and forest variables. Repeated, direct observations of climate 83 variables have the advantage of providing reliable information on variations and changes of climate. 84 Information on the development of forest variables is less direct measures of climate change, as 85 they are influenced also by other factors, and subject to lagged effects of past conditions. However, 86 they have the advantage that there is a long tradition of observing forest resources in 87 established monitoring frameworks. Furthermore, forest variables - in the long run- contain 88 information on the response of forests to climate change. Therefore, we consider climate and forest 89 90 variables and mixtures thereof as the basis for forming beliefs about on-going climate change and its impacts.. 91

We used climate scenario simulations and climate sensitive forest ecosystem model to address three research questions: 1) What is the relative value of climatic and forest state data for updating beliefs regarding future climate trajectories? 2) Does combining multiple data sources lead to a quicker convergence of a manager's belief state about climate change? 3) How do informationand updated beliefs affect adaptive decisions on forest resources under climate change impact?

97 We seek to answer these questions for a case study in the Black Forest area of Germany by investigating decision making patterns for a manager maximizing at each decision node the 98 expected value of objective function, using available information to form beliefs about forthcoming 99 climate changes, and deciding upon a set of alternative actions. In this process, decision-maker 100 applies Dempster's rule (Dempster, 1967) for combining evidence from both climate state and 101 forest state observations, and by using Bayesian theory (Bayes and Price, 1763) for updating 102 beliefs. Thus, the modelling concept in this study is a combination of microeconomic and 103 experience-based decision-making in the modelling context of coupled human-natural systems (An, 104 105 2012).

106 **2.** M

#### 2. MATERIAL AND METHODS

We consider a decision maker who aims to optimize management so as to maximise either 107 long-term forest productivity (Total Biomass Production<sup>1</sup>, **TBP**) or minimize forest windthrow 108 damages. These objective functions, **OBJ**, are optimized by choosing at a given time step the best 109 performing. We calculate the expected **OBJ** to determine the optimal decision, taking into account 110 the process and value of learning about climate and forest variables. The **OBJ** measure represents 111 the expected value of a particular management of the forest area that has been found as the best 112 available conditional on the beliefs about the different climate change scenarios being true. In the 113 following, we first describe a generic approach of how to apply the method for a given case, and 114 then we specify how specific data are used for the case study. 115

<sup>&</sup>lt;sup>1</sup> The total biomass production (**TBP**) at a given time is defined as a flow consisting of the sum of harvested biomass (HB), biomass from mortality (BM: competition, fire, windthrow, dieback) and the decadal biomass increment (DBI: cumulated growth (not harvested) in the forest (biomass<sub>t</sub>-biomass<sub>t-1</sub>).

#### 116 **2.1. Generic model**

#### 117 2.1.1 Climate scenarios

We consider *I* scenarios of climate development (e.g. as Kirilenko and Sedjo, 2007 used realizations of in IPCC A1f) and calculate a time series of mean values (trajectories) for a given climate variable (e.g. temperature, precipitation). We add a stochastic component capturing the uncertainty and variation around any scenario development by including i.i.d. stochastic shocks according to a Wiener noise process with variance  $\sigma_i^2$  across state and time. Thus, the observed state of the climate related variable  $\hat{\theta}_t$  at time *t* for scenario *i* is given by:

$$\theta_t(\text{scenario}_i, t) = x_{it}(\text{scenario}_i, t) + \varepsilon_{it}$$

124

and 
$$\varepsilon_{it} \sim N(0, \sigma_i^2)$$
 (1)

where t = 1,...,T, i = 1,...,I,  $X_{it}$  denotes the mean trajectory of scenario *i* at time *t*, and  $\mathcal{E}_{it}$  is an error with normal distribution around mean **0** and scenario-specific variance,  $\sigma_i^2$ .

# 127 2.1.2. Decision maker's beliefs and information processing

We set up a decision framework where the decision maker holds a set of beliefs regarding the likelihood of each climate scenario being true. We also define how the decision maker may change his beliefs using Bayesian updating given new observations. Let  $w_{it}$  ( $w_{it} = \Pr(\text{scenario}_i, t)$ be the belief at a given point *t* that a particular climate scenario *i* is unfolding, such that beliefs are complete:

133 
$$\sum_{i=1}^{m} w_{it} = 1, \ w_{i,t} \ge 0$$
(2)

As time passes and new information on the climate (either from forest or climate variables), as given by  $\hat{\theta}_t$ , is obtained, the plausibility of each climate change scenario is reassessed and the weights  $w_{it}$  are updated using Bayes' theorem (Bayes and Price, 1763):

$$w_{it+1}(\hat{\theta}_t) = \Pr\left(\operatorname{scenario}_i | \hat{\theta}_t\right) = \frac{\Pr\left(\hat{\theta}_t | \operatorname{scenario}_i\right) \Pr\left(\operatorname{scenario}_i, t\right)}{\sum_{i=1}^{I} \Pr\left(\hat{\theta}_t | \operatorname{scenario}_i\right) \Pr\left(\operatorname{scenario}_i, t\right)}$$
(3)

The weights at time t + 1 depend on the belief in a climate change scenario and on the observed climate state at time t. The observed  $\hat{\theta}_t$  is a measure indicating the present climate state, and its values are simulated as described in Eq. 1. Based on the updated probability values ( $w_{it+1}$ ), we assign a belief mass to each scenario to be the actual development of the climate state.

# 142 **2.1.3.** Combination of evidence

148

We applied Dempster's rule (Dempster, 1967; Bernetti et al., 2011) for the combination of multiple updated beliefs (each based on a different observed variable) to produce a single combined belief in each climate change scenario. The combination of two beliefs  $w_{it}(A)$  and  $w_{it}(B)$  based on two sorts of evidence, A and B, and supporting a climate change scenario (*scenario<sub>i</sub>*) is calculated in the following manner:

$$w_{it}(\text{scenario}_i) = \frac{A \cap B = \text{scenario}_i}{1 - k}$$

when scenario<sub>i</sub>  $\notin \emptyset \land w_{it}(\emptyset) = 0$ 

where 
$$k = \sum_{A \cap B = \emptyset} w_{it}(A) w_{it}(B)$$
 (4)

7

where *k* measures initial beliefs in conflict between different sorts of information and is determined by summing the products of the beliefs for all sets where the intersection is null, i.e. where one of the pieces of information does not support **scenario***<sup>i</sup>* at all. This rule is commutative, associative, but not idempotent or continuous (Dempster, 1967; Jøsang and Pope, 2011). The denominator in Dempster's rule, **1**-*k*, is essentially a normalization factor, which has the effect of leaving out conflict and attributing beliefs associated with conflict to the null set. Dempster's rule can easily be generalized for a combination of three (or more) different sources of information.

### 156 2.1.4. Choice of management actions

We determine the management action as a function of the objective, time, and current observed state of the system and the beliefs in the various climate change scenarios ( $w_{it}$ ). At each decision point, alternative decisions are evaluated for all possible combinations of scenario weights,  $W_t = \{w_{It}; w_{2t}; \ldots; w_{It}\}$ . Therefore, the decisions depend on the forest managers belief-type probabilities for the transition from one state to another (Eq. 3) and the value associated to that state.

163 We use  $E(w_b, t; \theta_b, x_t)$  to denote the expected value of a management strategy,  $a_{ij}$ , from time t164 to the end of planning period T, given the observed state of information and other relevant state 165 variables x so that the optimal action  $a_{ij}$  satisfies

$$\max_{i \neq j} \max_{i \neq j} E(W_{t}, t; \theta_{t}, x_{t}) = \sum_{i=1}^{T} w_{it} OBJ_{it}(a_{tj}; \theta_{t}, x_{t})$$
(5)

167 The value function  $E(W_t, t; \theta_t, x_t)$  is the weighted sum of the expected rewards at decision 168 point *t* from action *j* given scenario<sub>i</sub> (Eq. 5). The scenario weights  $w_{it}$  are the updated beliefs as in 169 Eqs. 3 and 4, and it is this updating and combination process that ensures that our management is 170 adaptive by definition. 171 **2.2. Case study** 

#### 172 **2.2.1. Study area**

The simulated landscape is a 570 ha block of even-aged Norway spruce forest located 173 between 500 and 800 m a.s.l. at the westerly side of the Northern Black Forest mountain range 174 (48°40' N, 8°13' E), Germany. The forest is comprised of 401 stands that range in size from <0.1 175 ha to 11.5 ha. Norway spruce dominates the forest because of afforestation and historic 176 management. Under non-managed conditions, a mixed European beech (Fagus silvatica L.) forest 177 178 is expected, with oaks (*Quercus* spp.) increasing in proportion towards lower elevations, and Silver fir (Abies alba Mill.) and Norway spruce (Picea abies (L.) Karst) increasing at higher elevations 179 (Müller et al. 1992, Ludemann 2010). 180

# 181 **2.2.2. Data for climate scenarios**

In our analysis, climate data are used in two ways. First, they are one of the primary drivers of forest dynamics in the applied forest ecosystem model LANDCLIM model and therefore influence forest state through time. Second, they influence the forest manager's belief about climate state  $(w_{it})$ , and therefore the manager's propensity to adopt and implement alternative management actions.

We used three different climate scenarios (Table 1): A no-change scenario (**Historic**), a moderate (**SMHI**) and a high (**HCCPR**) climate change scenario (**Collins et al. 2006**; Kjellström et al. 2011; Temperli et al., 2012). The **Historic** climate scenario is based on observed monthly temperature and precipitation data from 1950 to 2000. The climate change scenarios cover a range of uncertainty about predicted mean figures of climate variables over time. The influence of climate uncertainty on managers' belief state was included by assuming that all forest and climate variables had a standard deviation of  $\sigma_i = 0.3$  (in Eq. 1) that follows Allen et al. (2000), Collins et al. (2006), Kjellstrom et al (2011), studying the forecasting uncertainty of climate change, and Xu et al. (2008),
studying the uncertainty of forest landscape response to climate change.

196 **Table 1** 

# 197 **2.2.3. Simulation of forest development and management**

We simulated forest development and forest management actions in the case study region 198 199 using the forest landscape model LandClim (Schumacher et al. 2004, 2006, Elkin et al. 2012, Temperli et al., 2012). The model simulates forest development (regeneration, growth and 200 mortality of 32 tree species represented as age cohorts) within  $25 \times 25$  m grid cells on a yearly time 201 step, while landscape disturbances (fire, wind) and forest management are updated every decade 202 (Schumacher et al. 2004, Schumacher and Bugmann 2006). Fire disturbances are climate dependent 203 and reflect the influence that climate change has on fire occurrence and spread, whereas the 204 frequency and size of windthrow disturbances is a user defined variable. The three climate scenarios 205 that we tested did not include any projected shifts in wind disturbances, and we therefore use the 206 207 same wind disturbance settings in each. Climate change driven shifts in forest composition and structure will alter windthrow risk depending on tree species and tree size, but these long term 208 indirect changes are not projected to impact windthrow occurrence until the later part of the 21<sup>st</sup> 209 210 century. Nevertheless, risk of extreme events and observation of consequent damages is very important for the behavioral study of forest managers' perceptions and beliefs about climate change 211 212 and consequent decisions (Spence et al., 2011). For a more detailed description of the application of the model to the case study region, see Temperli et al. (2012). 213

We simulated four alternative management regimes (a<sub>tj</sub>) by varying species- and age classspecific thinning intensities and assuming that future management will vary along a gradient of timber production vs. biodiversity provision oriented management goals. The first represents a business-as-usual scenario that continues even-aged Norway spruce management. The other three regimes represent potentially adaptive alternatives that aim to convert the current monocultures of even-aged spruce to uneven-aged forests, and to promote a transition to more regionally adapted deciduous species. These alternatives were developed using descriptions of the management regimes that are currently applied or recommended for the study area (MLR 1999, Spiecker et al. 2004, Duncker et al. 2007, cf. Temperli et al. 2012 for details). The management alternatives are described in order of decreasing management intensity and timber production focus.

M1: Under the past (business-as-usual) even-aged Norway spruce regime, highest possible timber production is achieved by clear-cutting stands when dominant trees reach a target diameter (DBH) of 45 cm. Following clear-cutting, the stands are replanted with Norway spruce and thinned to foster growth and maintain the monoculture.

M2: The first adaptive strategy converts stands to uneven-aged mixed Douglas-fir/silver fir using target diameter harvesting. Windthrow resistance is believed to be improved and the species mixture is better adapted to a warming climate while valuable coniferous timber is still produced (Schütz et al. 2006).

M3: The second adaptive strategy is an uneven-aged mixed forest management regime, combining timber production with promotion of biodiversity; a structurally rich Norway sprucedominated forest with continuous cover was promoted, allowing naturally regeneration of deciduous trees, Douglas-fir and silver fir comprising 20-40% of the species mixture.

M4: The third adaptive strategy aims at biodiversity promotion by conversion to natural
vegetation, e.g. beech. To this end, Norway spruce is thinned strongly. Otherwise, forest
management is restricted to a minimum of infrastructure maintenance (e.g. hiking trails).

We simulated forest development between 2010 and 2100, and incorporated two decision points (2010 and 2050) when each of the four management alternatives could be implemented resulting in 16 different forest management pathways. All management pathways were simulated

11

for each of the three climate scenarios that we used. To account for stochastic processes in LandClim (e.g., windthrow disturbance), we ran 15 independent forest simulation replicates. For this analysis we aggregated the results at the landscape level, and averaged the results over the 15 replicates.

# 246 **2.2.4. Input for belief updating**

Three forest variables, total biomass production, windthrow damage (expressed as annual 247 248 biomass loss at the landscape level) and a biodiversity indicator (Shannon diversity, see Temperli et al. 2012), were selected as the observed forest variables. Three climate state variables were 249 selected: two visible and known climate variables namely average minimum temperature and 250 annual precipitation, and an annual drought index (ADI) as more complex and scientific 251 understanding of climate condition. ADI was used to capture average dryness over the m = 12252 months of the year. It measures amount of water transpired by the trees relative to their evaporative 253 demand for soil water (see details in Schumacher et al., 2004). 254

### 255 **2.2.5 Implementation of the analysis for belief updating and decision-making**

For each climate change scenario, we started the analysis with a simulation of the mean 256 trajectories of climate variables (as described in section 2.2.2) and the development of forest state 257 under management actions (cf. section 2.2.3). Monte Carlo sampling was carried out for the climate 258 259 and forest variables (100,000 iterations for each period with replacement), from which sets of realisations were drawn, thereby providing information for the decision maker. Based on the 260 simulated data, the belief in each climate change scenario was updated applying the Bayesian 261 theorem (Eq. 3). The process of acquiring climate data, implementing actions and updating beliefs 262 was repeated at 10-year intervals. Simulations were run from current states of forest and climate 263 (Temperli et al. 2012), thus establishing initial priors  $(w_1, w_2, ..., w_l)$  to express the beliefs in the 264 different climate scenarios. We analysed the sensitivity of the procedure to different sets of initial 265

beliefs ( $w_{it} = \{0, 0.2, 0.4, 0.6, 0.8, 1\}$  and subject to Eq. 2) and applied Bayes' theorem (Eq. 3) to 266 update beliefs at each period (2010, 2020, ...) and based on the observation of different climate and 267 forest variables (Eq. 2). At each decision point (i.e., 2010, and 2050), we combined the evidence 268 using Dempster's rule (Eq. 4) to calculate a unique updated belief about each climate change 269 scenario ( $w_{it}$ ). We investigated different combinations of the examined evidence (e.g., temperature+ 270 precipitation, temperature+ TBP, or TBP+ windthrow) to evaluate how different combinations 271 affected the speed towards certainty in belief in the actual scenario. Subsequently, we considered 272 the performance of management actions as measured by  $OBJ_{it}$  ( $a_{it}$ ) until the end of the planning 273 horizon (2100) to identify the optimal adaptive action (Eq. 5) incorporating the manager's current 274 belief  $(w_{it})$ . The entire exercise was undertaken for three different climate change scenarios being 275 the underlying true scenario, allowing us to assess interactions between type of future and belief 276 formation. 277

### **3. RESULTS**

# 279 **3.1. Learning about the actual climate development**

Figure 1 shows the results of a sensitivity analysis for different underlying true scenarios 280 (left-most column) and across the set of initial beliefs ( $w_{it} = [0,1]$ ). Different sets of initial beliefs 281 result in different updatings, we show the mean and variance of the beliefs masses across initial 282 beliefs. These are shown in Figure 1, where the size of squares represents the mean degree of 283 beliefs in the actual realization and the shade of squares illustrates the variance of updated beliefs 284 across initial beliefs. The bigger the square, the stronger the belief and the darker the square, the 285 larger variance between updated beliefs and the less sensitivity to initial beliefs and the less 286 difference between initial and updated beliefs over time. The beliefs over the nine time,  $w_{i1}$ - $w_{i2}$ 287 periods are shown until certainty is reached. Depending on the source of information, the average 288

time needed for the decision maker to be certain of the actual climate change scenario varies considerably. For some sources of information (e.g. ADI), the signals are so weak that the decision maker remains unsure for the entire period ( $w_{i9} < 50\%$ ). This is particularly true for **SMHI** and **HCCPR**. However, if there are very large change in climate states, e.g. in the case of precipitation under **HCCPR**, typical changes over the next ten years will allow the decision maker to make up his mind already by 2020.

Climate variables like temperature and precipitation were evidently more reliable sources of 295 296 information under some climates than forest variables. In contrast, the climatic and ecological index ADI performed poorly. Within the forest variables, the development of annual biomass production, 297 **TBP** would be the best choice compared to the observations of windthrow damage or species 298 299 diversity, which are much less sensitive in the short term. Note that forest properties in this model are influenced by a range of other factors besides climate. In this model, climate may change the 300 species composition which in turn changes the forest's windthrow susceptibility and consequently 301 would affect windthrow damage and species diversity. In this case these indirect climatic effects 302 were not strong enough and/or were masked by other factors incfluencing forests dynamics to serve 303 304 as reliable sources of information about climatic developments.

# 305 Figure 1

## **306 3.2. Combining different sources of evidence**

When several lines of climatic evidence are used in combination, the manager's belief state can converge on the actual climate scenario in a single 10 year time step (Figure 2). This happens no matter what the actual scenario is. For forest variables, however, the time needed before complete confidence in the actual scenario is reached is somewhat longer (20 years). Combining two forest variables i.e. **TBP** and biodiversity (species richness) may yet delay the inference and add more uncertainty e.g.  $w_2 = 76\%$  (standard deviation around 42%), when the actual climate change scenario is **SMHI** or **HCCPR** compared to climate variables (temperature and precipitation). This is less ( $w_2 = 65\%$ ) when we combine all three evidence from forest variables **TBP**, species richness and windthrow damage (standard deviation = 42%).

Under the climate change scenarios **SMHI** and **HCCPR**, combining a forest variable (i.e. **TBP**) with a climate variable (i.e temperature) was not as efficient as combining two climate variables. When forest and climate variables were combined, 100% confidence in the actual climate was not achieved for twenty years. In this case, a confident belief in the actual climate change scenario could be reached after two decades of observations (i.e. after twenty years at 2030).

321 Figure 2

#### 322 **3.3. Management decisions over time**

With the adaptive management concept of this paper it turns out that in the Black Forest 323 area, at the initial decision point (2010), the optimal decision for **TBP** maximization throughout the 324 entire planning horizon (2010-2100) would be M2 (Uneven-aged mixed forest), irrespective of the 325 326 initial beliefs. In this case, M2 is therefore dominant. Note that this result also depends on the initial state of our case study in the Black Forest area (Temperli et al. 2012) and the values for maximum 327 **TBP** varies between 7.2-9.5  $\text{m}^3$ /ha/year. However, although **M2** is the optimal choice at the first 328 decision point (2010), it loses dominance at the next decision point in the middle of the planning 329 horizon (2050), where a change in management scheme may be considered. Thus we focus the 330 presentation of results under TBP objective on the 2050 decision point, cf. Table 2. As shown in 331 Figure 1, the decision maker will know the true underlying climate with some certainty by 2050. At 332 this point, if climate change is taking place and the objective is to maximise biomass production, 333 TBP, adaptation will result in a switch from M2 to M4 (i.e. natural vegetation, see detail in section 334 2.2.3). Table 2 shows details of the changes in management regimes for the decision point in 2050. 335

To maximize **TBP**, the adaptive decision under **SMHI** or **HCCPR** is to switch to **M4**, whereas continuing with **M2** is only best option if there is no change in climate state (Historic scenario). Perfect decisions (grey areas – and perfect in the sense of having beliefs in accordance with the true scenario) may not be different from decisions under doubt ( $w_{i5} < 100\%$ ), but they support decision-makers with correct expectations about the performance of management actions e.g. for the maximization of **TBP**. For example, the perfect decision on **TBP** maximization under the actual scenario **SMHI** will be **M4** with **TBP** =8 m<sup>3</sup>/ha/year, where the same decision **M4** will be made under a high uncertainty ( $w_5 = 34\%$ , evidence =**ADI**) with a misleadingly high estimate of **TBP** = 10 m<sup>3</sup>/ha/year (+25% comparing to the factual case).

345 346

Table 2

347

To minimize windthrow damages, optimizing management decisions is more complicated 348 even if changes in windthrow activity were not included in the scenarios. As we show in Table 3, 349 the initial decisions (in 2010), are slightly more sensitive to the initial beliefs regarding the future 350 climate development. Depending on the set of initial beliefs, any of the management regimes, 351 except M1 (Even-aged Norway spruce, the business as usual management regime), may come into 352 consideration. However, M4 (relying on natural vegetation) is dominant under strong HCCPR 353 beliefs and, in most cases, the dominant choice under the SMHI and Historic scenarios. M2 354 (Uneven-aged mixed forest) and M3 (Uneven-aged Douglas/silver fir) would be optimal decisions 355 if the initial belief in the **Historic** scenario is strong (> 60%) under the **Historic** and **SMHI** climate 356 scenarios, respectively. M4 is the optimal adaptive decision if the simulated realised scenario is 357 SMHI and results in a minimum of 0.19 m<sup>3</sup>/ha/year biomass loss for the planning horizon (2010-358 2090). The decision is changed to decision M3 if the initial belief is imperfect ( $w_{21} = 0.40$  %) based 359 on a misleadingly high expected biomass loss of 0.23-0.27 m<sup>3</sup>/ha/year (+2-4 % compared to the 360 simulated realised case in grey area). 361

However, in spite of this initial variation, once the decision maker reaches the next decision point (2050), there is a general preference for switching to **M3** (see Table 2) in order to minimize the windthrow damage for the rest of the planning horizon (2050-2090). This adaptation is not needed if **SMHI** is the realised climate change scenario and **M3** was already chosen as the optimal solution in 2010. Similar to **TBP** maximization, decisions for the minimization of windthrow disturbances under the condition of imperfect knowledge about the actual climate change scenario  $(w_{i5} < 100\%)$  are the same as when beliefs coincide with perfect knowledge (grey area) and the decision (continue with or switch to **M3**) is constant, but the expected outcomes can be different and misleading.

371 Table 3

# 372 **4. Discussion**

#### **4.1. Belief updates based on different sources of information**

When uncertainty cannot be described by a simple known stochastic process or probability 374 density function, but is instead reassessed in the form of beliefs, the adaptive decision behavior 375 depends strongly on what sources of information that beliefs rely on, and how these are linked to 376 the underlying stochastic process of interest (Yousefpour et al., 2012). The implementation of 377 378 effective adaptive management in response to climate change requires that managers have access to accurate information regarding the direction and magnitude of climate change, and an accurate 379 assessment of how the system will respond to the climate drivers. Climate variables may be direct 380 381 evidence of climate change, but are not necessarily easily available or straightforward to interpret. In contrast, forest data are well known to forest decision-makers, but may be influenced by factors 382 383 other than climate, and there may be significant time lags before the forest ecosystem responds to the climate signal. However, monitoring forest state to adapt the management actions to the new 384 conditions e.g. simulating forest growth under climate change is currently the most applied and 385 recommended procedure in forest management (Jacobsen and Thorsen, 2003; Millar et al., 2007; 386 387 Bernetti et al., 2011). We found that climate variables were the most efficient sources of 388 information for rapidly revealing the simulated climate change scenario to a manager. Simulations suggested that an aggregate climate variable, such as a drought index, and forest response variables were less efficient. Moreover, if there is no change in climate conditions, most climate sensitive variables will be able to reveal this fact with certainty sooner ( $w_2 = 100\%$ ) or later ( $w_6 = 100\%$ ) depending on the variable under observation (Figure 1). The reason for this in our model is the considerable difference between climate variables across climate scenarios as defined in Table 1.

394

Evidently, the results of the present study are subject to a set of assumptions especially

about the trends and variability of forest and climate variables and the set of climate change 395 realizations. Assuming a higher standard deviation than  $\sigma_{i=0.3}$  would delay the recognition of 396 the actual climate change realization e.g. to several decades and a lower standard deviation would 397 accelerate the recognition unrealistically e.g. to less than a decade. Considering different set of 398 399 potential climate change realizations in the study will affect the results. The more divergent climate change realizations, the faster recognition of the actual realization. The important qualitative 400 contribution of our study; that the type and combination of information matter for expectation 401 formation and adaptive behavior, remain valid in spite of the model determinism. 402

Focusing on short-term climate changes may be a poor basis for long-term decisions in 403 404 forest management (Bugmann, 2003). Long-term analysis of management strategies for multiple rotations has a long tradition in forestry (Pukkala and Miina, 1997; Jacobsen and Thorsen, 2003; 405 Spiecker, 2004). Adaptation to climate change necessitates the implementation of actions in the 406 short term (Kirilenko and Sedjo, 2007; Yousefpour and Hanewinkel, 2009; Williams, 2011) to 407 prevent forests from being adversely affected in the long term (Millar et al., 2007; Xu et al., 2009). 408 Analysing the impacts of climate change on the risks of forest disturbances (e.g. windthrow, fire) 409 410 may improve decisions about the timing and the appropriate adaptive actions to mitigate the loss and severe damages (Millar et al., 2007; Bernetti et al., 2011). In our study, the risk of windthrow is 411 not related to the climate state but to the forest state, which in turn is affected by climatic 412

413 conditions. This is the reason why windthrow was a poor variable for the recognition of actual
414 climate state (Figure 1) and may have been more affected by management actions than climate
415 change.

### 416 **4.2.** Combination of evidence and effects of adaptation on forest management

We applied Dempster's rule of combination (Senz 2002; Raje and Mujumdar 2010) for 417 considering more than one source of information to simulate the process of forming a belief about 418 climate change. The combination results show that direct climate observations outperform forest 419 420 variables as short-term indicators of climate state. Furthermore, we combined climate and forest variables to examine the efficiency of such combinations and found that they were less efficient 421 than a combination of two climate variables, but equally efficient as two forest variables. 422 423 Nevertheless, combining a climate variable with supplementary evidence, either in the form of forest state or additional climate variables generally does speed up updating the beliefs towards the 424 recognition of the true climate trajectory. We note, however, that the application of Dempster's rule 425 should be investigated further for the case of climate change in order to apply a suitable type of 426 Dempster's rule for data fusion (e.g. Jøsang and Pope 2011). 427

Adaptive management has been suggested as the most promising avenue of research to deal 428 with decision making under uncertainty (Williams, 2012) especially the uncertainty inherent in 429 climate change (Heltberg et al. 2009; Probert et al. 2010; Williams, 2011; Yousefpour et al. 2012), 430 whether this will in fact lead to a change in management or not. Moreover, Hahn and Knoke (2010) 431 outline that adaptive management maintains or even increases future options depending on the 432 adaptive capacity of a system. In our example of adaptive forest management in the Black Forest, 433 434 we found that a decision maker who focuses on total biomass production will initially favour conversion to an uneven-aged mixed forest. If the objective is to minimize windthrow damage, 435 436 there will be a need for diverse interventions and adaptation measures by switching the management scheme through planning horizon. After revealing the actual scenario at the middle of planning
horizon (2050), all management schemes would be switched to the robust strategy of uneven-aged
Douglas/silver fir to maintain a windthrow resistant uneven-aged stand structure by adapting
species mixture to dryer climate for the rest of the period (2050-2100, Table 2).

441 **4.3. Implications for future research** 

We have focused on Dempster's rule of combination, but we stress that there are alternative rules for the combination of information in evidence theory. Many of these are adapted versions of Dempster's rule (e.g. Sentz 2002; Raje and Mujumdar 2010; Trokanskaya et al. 2011; Bernetti et al. 2011), whereas others are more general (Jøsang and Pope 2011).

In the simulations undertaken in this study, we found swift convergence in the decision 446 maker's beliefs towards the actual scenario. This is true for the updating based on a single variable 447 (Figure 1), and even more so for the case of combined evidence. The scenarios (Historic, SMHI 448 and HCCPR) are quite different from each other. This, in combination with the limited variation 449 450 we allow around the inherent trend of the scenarios, implies that the distributions over a few decades diverge enough for most of the information sources to result in full or almost full 451 concentration of the belief mass. Future research should focus on relaxing this restriction of the 452 current simulations, and analyse the effects of variation in climate state variables across a more 453 comprehensive set of possible climate scenarios. Furthermore, due to the computationally heavy 454 forest simulation model used here, our simulations had to be restricted to ten-year intervals and two 455 decision points only. While this has no influence on the qualitative results of our study, it does not 456 suffice to answer important "real-world" questions such as those referring to the optimal timing of 457 management switches. The conceptual approach presented in this study may be combined with 458 balancing economic and environmental optimization procedures to chive multiple goals and manage 459 the decisions' risks. 460

# 461 **5. Conclusions**

Uncertainty regarding climate change and its impacts on forests identifies the need for more 462 accurate regional climate projections and forest models, and highlights the fact that forest managers 463 464 make decisions within an uncertain environment. Modelling and analytic approaches that explicitly take into account how managers may update their beliefs about actual climate developments have 465 the potential to lead to more robust policies regarding adaptive management. Continuous 466 467 observation of climate states by the decision maker, and comparisons with the predictions of various climate models should ensure advancements in knowledge and updated assessment of the 468 469 likely degree of changes. In the application analysed in this paper we find that updating climate 470 beliefs based on climate data is superior to forest data, because the latter may include feedback processes and lags whereas the former directly and more rapidly indicates the direction and the 471 degree of changes in climate. This is important for forest management as the tradition of forest 472 managers is to observe what is happening in the forest and climate data may not be so easily 473 acceptable and understandable. We found that a combination of evidence increase the value of the 474 475 information considerably, but still information reflecting more directly climate change variables are the most important sources. Our results stress the importance of getting a better understanding of 476 how forest managers form beliefs about future climate change and its impacts. If substantial groups 477 of forest managers are reactive or base their beliefs on past observations and experiences from 478 forest management (Hoogstra, 2008; Jacobsen et al 2010), our results shows that they may continue 479 to rely on risky non-adapted forest management strategies for a considerable part of the next 480 century. 481

# 482 6. Acknowledgement

This study was conducted as part of the project MOTIVE 'MOdels for adapTIVE forest management' funded by the European Community's Seventh Framework Programme (FP7/2007-2013) under grant agreement n° 226544. Elkin was funded by the project MOUNTLAND of the Competence Centre "Environment and Sustainability" of the ETH Domain, Switzerland, and Jacobsen and Thorsen further acknowledges support from the Danish National Science Foundation.

# 488 **7. References**

- 489
  1. Allen, M., Stott, P., Mitchell, J., Schnur, R., & Delworth, T., 2000. Quantifying the
  490
  uncertainty in forecasts of anthropogenic climate change. Nature 407, 617-620.
- Ambrosi, P., Hourcade, J., Hallegatte, S., Lecocq, F., Dumas, P., & Duong, M., 2003.
   Optimal control models and elicitation of attitudes towards climate damages. Environmental
   Modeling and Assessment 8, 133-147.
- An, L., 2012. Modeling human decisions in coupled human and natural systems: Review of
  agent-based models. Ecological Modelling 229, 25-36.
- 496
  4. Ananda, J., & Herath, G., 2005. Evaluating public risk preferences in forest land-use choices
  497
  497 using multi-attribute utility theory. Ecological Economics 55, 408-419.
- Armstrong, D., Castro, I., & Griffiths, R., 2007. Using adaptive management to determine
  requirements of re-introduced populations: the case of the New Zealand hihi. Journal of
  Applied Ecology 44, 953-962.
- 6. Bayes, T., & Price, M., 1763. An Essay towards Solving a Problem in the Doctrine of
  Chances. Philosophical Transactions of the Royal Society of London 53, 370-418.

503	7.	Bernetti, I., Ciampi, C., Fagarazzi, C., & Sacchelli, S., 2011. The evaluation of forest crop
504		damages due to climate change. An application of Dempster-Shafer method. Journal of
505		Forest Economics 17, 285-297.
506	8.	Bugmann, H., 2003. Predicting the ecosystem effects of climate change. in: C. D. Canham,
507		W. K. Lauenroth, & J. S. Cole, Models in Ecosystem Science, Princeton: Princeton
508		University Press, pp. 385-409.
509	9.	Collins, M., Booth, B., Harris, G., Murphy, J., Sexton, D., & Webb, M., 2006. Towards
510		quantifying uncertainty in transient climate change. Climate Dynamics 27, 127-147.
511	10.	Dempster, A. P., 1967. Upper and lower probabilities induced by a multivalued mapping.
512		The Annals of Mathematical Statistics 38, 325-339.
513	11.	Ducey, M., 2001. Representing uncertainty in silvicultural decisions: an application of
514		Dempster-Shefer theory of evidence. Forest Ecology and Management 150, 199-211.
515	12.	Duncker, P., Spiecker, H., & Tojic, K., 2007. EFORWOOD D 2.1.3: Definition of forest
516		management alternatives. Freiburg, Germany: Albert-Ludwigs-Universität Freiburg.
517	13.	Heltberg, P., Siegel, B., & Jorgensen, S., 2009. Addressing human vulnerability to climate
518		change: Toward a 'no-regrets' approach. Global Environmental Change 19, 89-99.
519	14.	Hoogstra, M., 2008. Coping with the long term; an empirical analysis of time perspectives,
520		time orientations, and temporal uncertainty in forestry. Wageningen: University of
521		Wageningen.
522	15.	Huang, G., Cohen, S., Yin, Y., & Bass, B., 1998. Land resources adaptation planning under
523		changing climate - a study for the Mackenzie Basin. Resource Conservation & Recycling
524		24, 95-119.
525	16.	Jacobsen, J., & Helles, F., 2006. Adaptive and non-adaptive harvesting in uneven-aged
526		beech forest with stochastic prices. Forest Policy & Economics 8, 223-238.

23

527	17. Jacobsen, J., & Thorsen, B., 2003. A Danish example of optimal thinning strategies in
528	mixed-species forest under changing growth conditions caused by climate change. Forest
529	Ecology and Management 180, 375-388.

- 18. Jacobsen, J., Thorsen, B., Trasobares, A., & Bugman, H., 2010. Modelling and simulating
  decision making in MOTIVE. Copenhagen: WPs 4 & 5, MOTIVE project, 18 pp, University
  of Copenhagen.
- 533 19. Jøsang, A., & Pope, S., 2011. Dempster's Rule as Seen by Little Coloured Balls.
  534 Computational Intelligence, DOI: 10.1111/j.1467-8640.2012.00421.x.
- 20. Kangas, A., & Kangas, J., 2004. Probability, possibility and evidence: approaches to
  consider risk and uncertainty in forest decision analysis. Forest Policy & Economics 6, 169188.
- 538 21. Kellstedt, P., Zahran, S., & Vedlitz, A., 2008. personal efficacy, the information
  539 environmrnt, and attitudes toward global warming and climate change in the United States.
  540 Risk Analysis 28, 113-126.
- 541 22. Kirilenko, A. P., & Sedjo, R. A., 2007. Climate chaneg impacts on forestry. PNAS 104,
  542 19697–19702.
- 543 23. Kjellström, E., Nikulin, G., Hansson, U., Strandberg, G., & Ullerstig, A., 2011. 21<sup>st</sup> century
  544 changes in the European climate: uncertainties derived from an ensemble of regional climate
  545 model simulations. Tellus A 63, 24-40.
- 546 24. Ludemann, T., 2010. Past fuel wood exploitation and natural forest vegetation in the Black
  547 Forest, the Vosges and neighbouring regions in western Central Europe. Palaeogeography,
  548 Palaeoclimatology, Palaeoecology 291, 154-165.

549	25. Marquart-Pyatt, S., Shworm, R., Dietz, t., Dunlap, R., Kaplowitz, S., McCright, A., Zahran,
550	S., 2011. Understanding public oponion on climate change: A call fo research. Environment:
551	Science and Policy for Sustainable Dvelopment 53, 37-42.

- 552 26. Millar, C. I., Stephenson, N. L., & Stephens, S. L., 2007. Climate change and forests of the
  553 future: managing in the face of uncertainty. Ecological Applications 17, 2145–2151.
- 554 27. MLR., 1999. Richtlinie Landesweiter Waldentwicklungstypen. Stuttgart: Ministerium
  555 Ländlicher Raum Baden-Württemberg.
- 556 28. Müller, T., Oberdorfer, E., Philiippi, G., & Walte, E., 1992. Potentielle natürliche
  557 Vegetation und Naturräumliche Einheiten. Karlsruhe: Landesanstalt für Umweltschutz
  558 Baden-Württemberg.
- 29. Possingham, H., 2010. Managing and Learning with Multiple Models: Objectives and
  Optimization Algorithms. Biological Conservation 144, 1237-1245.
- 30. Prato, T., 2009. Adaptive management of natural systems using fuzzy logic. Environmental
  Modelling & Software 24, 940-944.
- 31. Prato, T., 2008. Conceptual framework for assessment and managemet of ecosystem
  impacts of climate chaneg. Ecolical Complexity 5, 329-338.
- 565 32. Prato, T., 2000. Multiple attributes Bayesian analysis of adaptive ecosystem management.
   566 Ecological Modeling 133, 181-193.
- 33. Prestemon, J., & Donovan, G., 2008. Forecasting resource-allocation decisions under
   climate uncertainty: Fire suppression with assessment of net benefits of research. American
   Journal of Agricultural Economics 90, 1118-1129.
- 34. Probert, W., Hauser, C., McDonald-Madden, E., Michael, C., Baxter, P., & Possingham, H.,
  2010. Managing and learning with multiple models: objectives and optimization algorithms.
  Biological Conservation 144, 1237-1245.

573	35. Pukkala, I., & Miina, J., 1997. A method for stochastic multi-objective optimization of
574	stand management. Forest Ecology and Management 98, 189-203.
575	36. Rabe, B., & Borick, C., 2011. The climate of belief: American public oponion on climate
576	change. Issues in governance Studies: Brookings.
577	37. Raje, D., & Mujumdar, P., 2010. Hydrologic drought prediction under climate change:
578	Uncertainty modeling with Dempster-Shafer and Bayesian approaches. Advances in Water
579	Resources 33, 1176-1186.
580	38. Schumacher, S., 2004. The role of large-scale disturbances and climate for the dynamics of
581	forested landscapes in the European Alps. Zurich, Switzerland: ETH Zurich.
582	39. Schumacher, S., & Bugmann, H., 2006. The relative importance of climatic effects,
583	wildfires and management for future forest landscape dynamics in the Swiss Alps. Global
584	Change Biology 12, 1435–1450.
585	40. Schumacher, S., Bjorn, R., Sibold, J., & Bugmann, H., 2006. Modeling the impact of
586	climate and vegetation on fire regimes in mountain landscapes. Landscape Ecology 21, 539-
587	554.
588	41. Schütz, J., Götz, M., Schmid, W., & Mandallaz, D., 2006. Vulnerability of forest stands to
589	storms and consequences for silviculture. European Journal of Forest Research 125, 291-

590 302.

591	42. Senz, K., 2002.	Combination	of Evidence	e in	Dempster-Shafer	Theory	. NY,	96	pp:
592	Binghamton Univ	versity Press.							

- 43. Spence, A., Poortinga, W., Butler, C., & Pidgeon, N., 2011. Perceptions of climate change
  and willingness to save energy related to flood experience. Nature Climate Change 1, 46-49.
- 44. Spiecker, H., Hansen, J., & Klimo, E., 2004. Norway Spruce Conversion: Options and
  Consequences . Brill, Leiden, Boston, Köln: European Forest Institute.

597	45	. Tempperli, C., Bugmann, H., & Elkin, C., 2012. Adpative management for competing forest
598		goods and services under climate change. Ecological Applications, Submitted.
599	46	. Troyanskaya, O., Dolinski, K., Owen, A., Altman, R., & Botstein, D., 2003. A Bayesian
600		framework for combining heterogeneous data sources for gene function prediction, in
601		Saccharomyces cerevisiae. Proceedings of the National Academy of Sciences 100, 8348-
602		8353.
603	47	Weintraub, A., & Romero, C., 2006. Operations research moels and the management of
604		agricultural and forestry rsources: a review and comparisons. Interfaces 36, 446-457.
605	48	. Williams, B. K., 2011. Adaptive management of natural resources-framework and issues.
606		Journal of Environmental management 92, 1346-1353.
607	49	Williams B. K., 2012. Reducing uncertainty about objective functions in adaptive
608		management. Ecological Modelling 225, 61-65.
609	50	Xu, C., Gertner, G. Z., & Scheller, R. M., 2008. Uncertainties in the response of a forest
610		landscape to global climatic change. Global Change Biology 15, 116-131.
611	51	Yousefpour, R., & Hanewinkel, M., 2009. Modelling of forest conversion planning with an
612		adaptive simulation-optimization approach and simultaneous consideration of the values of
613		timber, carbon and biodiversity. Ecological Economics 68, 1711-1722.
614	52	Yousefpour, R., Jacobsen, J., Thorsen, B., Meilby, H., Hanewinkel, M., & Oehler, K., 2012.
615		A review of decision-making approaches to handle uncertainty and risk in adaptive forest
616		management under climate change. Annals of Forest Science 69, 1-15.
617	53	Zadeh, L., 1984. Review of Shafer's A Mathematical Theory of Evidence. AI Magazine 5,
618		81–83.
619	54	Zhou, M., Liang, J., & Buongiorno, J., 2008. Adaptive versus fixed policies for economic or
620		ecological objectives in forest management. Forest Ecology and Management 254, 178-187.

### Appendix A: Detailed description of simulated management regimes

This appendix contains additional information on the implementation of the five management regimes in LandClim. An overview and the details on the quantification of harvesting and entry thresholds are presented in Table A1.

#### 1. Even-aged Norway spruce (EN)

The objective of this management regime is the profitable production of Norway spruce timber, whereas other forest goods and services (FGS) such as forest diversity are only promoted to the legal minimum. The final harvest is accomplished as a clear cut when the dominant trees in the stand reach the production target of 45 cm diameter at breast height (DBH; Spiecker et al. 2004, p. 140). After harvest the stand is replanted with Norway spruce. In the course of stand development, a tending prescription to control species mixture and multiple thinning operations are conducted to decrease competition-induced growth reductions and mortality (Duncker et al. 2007, pp. 21 and 22).

#### 2. Uneven-aged mixed forest (UM)

The aim of mixed forest management is the simultaneous provision of timber, wildlife habitat, forest diversity and recreation opportunities. For economic reasons Norway spruce is maintained also on sites, where it does not occur naturally. Mixed forest management aims at a structurally rich Norway spruce dominated continuous-cover forest, whereby naturally regenerating deciduous tree species and silver fir contribute 20-40% basal area to the species mixture (MLR 1999, pp. 23f.). Trees are harvested individually or in groups, when species-specific target diameters are reached (target diameter harvest; Spiecker et al. 2004, p. 140). Dominance of the crop tree species Norway spruce and silver fir (*Abies alba* Mill.) is promoted by a tending and thinning prescription applied to small and medium-sized trees, respectively. Due to the low natural regeneration of Norway spruce in the lower part of the study area, 80 spruce saplings of 0.01 t biomass are planted per ha every decade. Assuming a maximum rotation length of 200 years this corresponds to the recommended maximum planting density of 1600 saplings per ha (MLR 1999, pp. 23f., Duncker et al. 2007, pp. 18f.).

# 3. Natural vegetation (NV)

The promotion of forest diversity and resilience to disturbances by converting the Norway spruce forest to the predominately deciduous natural vegetation is the aim of this management regime. Natural vegetation is understood as the species mixture and stand structure that develops as a result of the local environmental conditions and disturbance regimes under a minimum of anthropogenic interventions. The strategy is to reduce Norway spruce dominance by target diameter harvest and heavy thinning (MLR 1999, Spiecker et

al. 2004). Thereby spruce timber can be harvested, while at the same time natural regeneration is promoted in the gaps opened by the thinnings. To account for fellings to safeguard hiking trails and other infrastructure, a small proportion of large trees is harvested each decade. Other than that, no management is applied. We did not implement a prescription that aims to remove or suppress the regeneration of the neophyte Douglas-fir. This might collide with the term "natural vegetation", but was intended in order to reveal the post-management competition dynamics of the current species pool that includes Douglas-fir.

#### 4. Uneven-aged mixed Douglas/silver fir (UD)

This adaptive management regime pursues the adaptation of the species mixture to projected changes in climate by converting the present Norway spruce forest to a Douglas-fir (*Pseudotsuga menziesii* (Mirbel) Franco var. *menziesii*) and silver fir dominated forest. The main management goal is the production of coniferous timber and the promotion of deciduous species to foster forest diversity is of minor importance. To promote Douglas- and silver fir other species including Norway spruce are heavily thinned in both early and medium development stages. Norway spruce trees are harvested throughout once they reach the production target, whereas 20% of the number of harvestable trees of other species including Douglas- and silver fir are excluded from harvest to increase stand structural diversity. In order to account for an increased windthrow risk under climate change (e.g., Blennow and Olofsson 2007) we implemented the production target for Douglas-fir lower as it is currently recommended (48 instead of 80 cm DBH; MLR 1999).

#### 5. Uneven-aged mixed oak (UO)

The goal of this conversion regime is to adapt the Norway spruce forest to increasing temperatures and drought by promoting oaks and associated drought-resistant species. A diverse mixed oak forest is considered to be more resistant to windthrow and insect disturbances than a coniferous monoculture (Spiecker et al. 2004, Wermelinger et al. 2008). The conversion of the present Norway spruce forest is undertaken by two shelterwood cuts followed by under-plantings of oak (MLR 1999, pp. 27 and 28, Spiecker et al. 2004, pp. 139-142). Within a first 30-year period each stand is entered consecutively starting with the most stocked one. By cutting gaps 50% of all stems are harvested except for the drought-adapted species (LandClim drought tolerance parameter  $\geq 0.33$ , cf. Henne et al. 2011). These stands are underplanted with drought-tolerant downy oak (*Quercus pubescens* Willd.) saplings. In a second 30-year period this prescription is repeated the same way, such that within 60 years all stands are entered twice. After this initial conversion phase, target diameter harvest is applied to the resulting uneven-aged oak forest (Table A1). Douglas-fir is suppressed by tending and thinning throughout in order to promote the less competitive oaks and other drought-adapted species, whereas natural regeneration of other species is allowed in both the conversion and the subsequent period.

	Management scenarios					
	Even-aged Norway spruce (EN)	Uneven-aged mixed forest (UM)	Natural vegetation (NV)	Uneven-aged Douglas/silver fir (UD)	Uneven-aged mixee Conversion period (2001- Cc 2060) (2001- (2001- Cc	d oak (UO) ontinuous cover period 061-2200)
Objective	Timber	Timber/biodiversity	Biodiversity	Species adaptation, timber	Species adaptation, b	biodiversity
Management overview	Highest possible timber production through clear cut when 100 dominant trees/ha (D <sub>dom</sub> ) > 45 cm diameter at breast height (DBH). Following clear cut stands are replanted with Norway spruce and later thinned to increase growth.	Timber production in species and structurally rich forest of high ecological and recreational value. Stands are thinned to promote regeneration and promote conifers. Target diameter harvest is applied.	Conversion of Norway spruce forests to the autochthonous forest. Norway spruce is removed by thinning and target diameter harvest. Tracks are secured by removing unstable old trees.	Future timber harvest is secured by promoting drought- adapted Douglas- and silver firs. Norway spruce is removed by thinning. Maintenance of uneven-aged stand structure by target diameter harvest.	Conversion to a drought adapted aiming for future forest stability a first period stands are opened and planted in the openings. In the sec diameter harvest is applied. Drou promoted and Douglas-fir is restr both periods.	mixed oak forest and forest diversity. In a d downy oaks are cond period target ight adapted species* are rained by thinning in
Tending			Enter all stands every	y decade		
	DBH < 12 cm: Thin to 1750 N. spruce and 88 (5%) other stems/ha	DBH < 12 cm: Thin 30% of stems other than N. spruce and Silver fir	DBH < 12 cm: Thin 70% of N. spruce stems	DBH < 12 cm: Thin 70% of stems other than Douglas-fir and silver fir	DBH < 12 cm: Thin 70% of Dou	glas-fir stems
Thinning			Enter all stands every	y decade		
	If $D_{dom} > 18$ cm: DBH $\ge 12$ cm: Thin to 600 N. spruce and 30 other stems/ha If $D_{dom} > 27$ cm: DBH $\ge 12$ cm: Thin to 300 N. spruce and 15 other stems/ha	DBH > 32 and < 48 cm: Thin 30% of stems other than N. spruce and silver fir	DBH > 32 and < 48 cm: Thin 70% of N. spruce stems	DBH > 32 and < 48 cm: Thin 70% of stems other than Douglas-fir and silver fir	DBH $>$ 32 and $<$ 48 cm: Thin 70 $^{\circ}$	% of Douglas-fir stems
Harvest		Enter all stands	every decade		Enter 1/3 of all stands each En decade ranked by biomass de	nter all stands every ecade
	If D <sub>dom</sub> > 45 cm Clear cut: Harvest trees of all species and sizes	DBH > 48 cm: Harvest 80% of stems of all species	DBH > 48 cm: Harvest 100% of N. spruce stems DBH > 100 cm: Harvest 5% of stems of all species	DBH > 48 cm: Harvest 100% of N. spruce stems and 80% of stems of other species	Stand opening: Harvest DI 50% of all stems except for 80 drought tolerant species*. Sc DI 80	BH > 32 cm: Harvest % of downy oak and cots pine stems BH > 48 cm: Harvest % of other stems
Regeneration	Plant 4000 N. spruce saplings/ha after clear cut	Natural regeneration plus planting of 80 N. spruce saplings/ha per decade	Natural regeneration	Natural regeneration	Natural regeneration plus Né planting of 2667 downy oak saplings/ha after stand opening	atural regeneration
* Drought tole <i>Mill</i> .	erant species: Castanea sativa M	Aill., Larix decidua Mill., Qu	vercus pubescens Willd., Pin	us sylvestris L., Sorbus aria	(L.) Crantz, Sorbus aucupar	ria L., Tilia cordata

Table A1: Overview and quantification of business-as-usual (columns 2 and 3) and adaptive (columns 4-7) management scenarios.

#### *Literature cited:*

- Blennow, K., and E. Olofsson. 2007. The probability of wind damage in forestry under a changed wind climate. Climatic Change 87:347-360.
- Duncker, P. H., H. Spiecker, and K. Tojic. 2007. EFORWOOD D 2.1.3: Definition of forest management alternatives. Albert-Ludwigs-Universität, Freiburg, Germany.
- Henne, P. D., C. M. Elkin, B. Reineking, H. Bugmann, and W. Tinner. 2011. Did soil development limit spruce (*Picea abies*) expansion in the Central Alps during the Holocene? Testing a palaeobotanical hypothesis with a dynamic landscape model. Journal of Biogeography 38:933-949.
- Ministerium Ländlicher Raum Baden-Württemberg (MLR). 1999. Richtlinie Landesweiter Waldentwicklungstypen. Stuttgart.
- Spiecker, H., J. Hansen, and E. Klimo. 2004. Norway Spruce Conversion: Options and Consequences. EFI, Brill, Leiden, Boston, Köln.
- Wermelinger, B., A. Rigling, D. S. Mathis, and M. Dobbertin. 2008. Assessing the role of bark- and wood-boring insects in the decline of Scots pine (*Pinus sylvestris*) in the Swiss Rhone valley. Ecological Entomology 33:239-249.

### **Figures' Caption**

**Figure 1** Updating beliefs about actual climate change scenario, when Bayesian updating is based on the observation of different climate and forest variables drawn from 100,000 Monte Carlo samplings. Size of squares shows the degree of beliefs (the bigger the square, the higher the belief) and the shade of squares illustrates the variance of updated beliefs (the darker the square, the less sensitivity to initial beliefs).

**Scenario =** Actual climate change scenario i.e. **Historic, SMHI, HCCPR** (see details in Table 1), **ADI** = Annual Drought Index & **TBP** = Total Biomass Production, <sup>†</sup>Averrage belief mass in the actual climate change scenario, where averaging is across initial beliefs varied systematically in 20% intervals,  $w_{1i} = \{0, 0.2, 0.4, 0.6, 0.8, 1\}$  and summing up to 100% (i.e.  $\sum w_{it} = 1$ , e.g.  $w_{1(Historic)} = 0.2$ ,  $w_{1(SMHI)} = 0.6$  and  $w_{1(HCCPR)} = 0.2$ ), <sup>\*</sup> Standard deviation in the measured belief mass in the actual climate change scenario,  $w_{1-w_{9}} =$  Belief on the actual climate change scenario over time (2010-2090, e.g.  $w_{5}$  = belief at 2050), cf. <sup>†</sup> and <sup>\*</sup>

**Figure 2** Combining evidence about the aqctual climate change scenario and based on the observation of different climate and forest variables at 2020 ( $w_2$ ).

**Historic, SMHI, HCCPR =** Climate change scenario (see details in Table 1), **ADI =** Annual Drought Index & **TBP =** Total Biomass Production,  $w_2$  = belief about the actual cliamet change scenario at 2020 (after ten years of observations)

Actual					Upd	ated be	liefs (%)			
Scenario	Variable	W1	W <sub>2</sub>	W <sub>3</sub>	W <sub>4</sub>	W <sub>5</sub>	W <sub>6</sub>	W7	W <sub>8</sub>	W <sub>9</sub>
	Temperature	€ [0,1]	~							
	Precipitation	€ [0,1]	~	]						
Historic	ADI	€ [0,1]								
mstoric	ТВР	€ [0,1]	$\checkmark$					_		
	Biodiversity	€ [0,1]					$\checkmark$		_	
	Windthrow	€ [0,1]						$\checkmark$		
	Temperature	€ [0,1]								
	Precipitation	€ [0,1]								
CMALI	ADI	€ [0,1]								
	ТВР	€ [0,1]								
	Biodiversity	€ [0,1]								
	Windthrow	€ [0,1]								
	Temperature	€ [0,1]								
	Precipitation	€ [0,1]	~	]						
	ADI	€ [0,1]								
нссрк	ТВР	€ [0,1]								
	Biodiversity	€ [0,1]								
	Windthrow	€ [0,1]								
cale of illus	trations:				0					
Selief <sup>†</sup> (%)	0-20 20-40	40-60	60-80	80-10	ο σ <sup>‡</sup>	* (%) 0- = 10	20 20-4 00% beliet	0 40-60 f with no d	60-80	80-100 <i>o</i> = 0)

Figure 1



Figure 2

Table 1: Climate change scenarios i.e. regional circulation model realizations for the IPPC AR4 A1b emission scenario at 828 m a.s.l. in the Black Forest case study area.

	Т	emperature	°C]	Pre	ecipitation [1	mm]
Climate scenario	Annual	Summer <sup>a</sup>	Winter <sup>b</sup>	Annual	Summer <sup>a</sup>	Winter <sup>b</sup>
Historic (1950-2000)	7.1	12.4	1.8	1086	573	513
SMHI (2081-2100)	9.3	14.6	4.0	1041	491	550
HCCPR (2081-2100)	11.7	17.3	6.1	1042	473	569

**SMHI**: Model (RCA30/CCSM3) realization by the Swedish Meteorological and Hydrological Institute (Kjellström et al. 2011), **HCCPR**: Model (HadRM3Q0/HadCM3Q0) realization by the Hadley Center for Climate Prediction and Research (Collins et al. 2006).

<sup>a</sup> April-September; <sup>b</sup> October-March

Table 2 Optimal decisions for adaptation to climate change at the foreseen decision point (2050) depending on updated beliefs and using different climate or forest variables

		W 5 (%, E	selief at	2050)	Decision on	i mana	gement scheme	
Actual scenario	Variable	Historic	IHWS	HCCPR	TBP↑	OBJ	Windthrow↓	OBJ
	Temperature	100	0	0	Continue with M2	14	Switch to M3	0.21
	Precipitation	100	•	•	Continue with M2	14	Switch to M3	0.16
Historic	ADI	35	33	32	Continue with M2 / Switch to M4	10	Switch to M3	0.27
	TBP	100	•	0	Continue with M2	14	Switch to M3	0.16
	Biodiversity	100	0	0	Continue with M2	14	Switch to M3	0.16
	Windthrow	84	9	10	Continue with M2	13	Switch to M3	0.19
	Temperature	0	65	35	Switch to M4	8	Continue with/Switch to M3	0.32
	Precipitation	0	100	0	Switch to M4	8	Continue with/Switch to M3	0.32
IHWS	ADI	32	34	34	Switch to M4	10	Continue with/Switch to M3	0.29
	TBP	0	100	0	Switch to M4	8	Continue with/Switch to M3	0.32
	Biodiversity	0	06	10	Switch to M4	8	Continue with/Switch to M3	0.32
	Windthrow	7	91	2	Switch to M4	6	Continue with/Switch to M3	0.31
	Temperature	0	35	65	Switch to M4	8	Switch to M3	0.32
	Precipitation	•	•	100	Switch to M4	8	Switch to M3	0.32
HCCPR	ADI	32	34	34	Switch to M4	10	Switch to M3	0.29
	TBP	0	•	100	Switch to M4	8	Switch to M3	0.32
	Biodiversity	0	10	06	Switch to M4	8	Switch to M3	0.32
	Windthrow	11	3	87	Switch to M4	6	Switch to M3	0.31

Historic, SMHI, HCCPR = climate change scenario (see Table 1), ADI = Annual Drought Index, TBP = Total Biomass Production, M1-M4 = Management schemes implying different set of silvicultural interventions in planning horizon (see details in section 2.2.3),  $\uparrow$  = Objective is to maximize a service,  $\downarrow$  = Objective is to minimize a damage OBJ = Value of the adaptive decision in biomass ( $m^3/ha/year$ ), Grey area = The realised adaptive decision including perfect knowledge i.e.  $w_s = 100\%$  about the actual climate change scenario

2				Decisi	ion on mana	igement s	scheme	
W1, (?	6, Initial	belief)		A	ctual scenar	rio		
Historic	SMHI	HCCPR	Historic	OBJ	SMHI	OBJ	HCCPR	OBJ
0	0	100	M4	0.19	M4	0.19	M4	0.19
0	20	80	M4	0.19	M4	0.19	M4	0.19
0	40	60	M4	0.19	M4	0.19	M4	0.19
0	60	40	M4	0.19	M4	0.19	M4	0.19
0	80	20	M4	0.19	M4	0.19	M4	0.19
0	100	0	M4	0.19	M4	0.19	M4	0.19
20	0	80	M4	0.29	M4	0.22	M4	0.17
20	20	60	M4	0.29	M4	0.22	M4	0.17
20	40	40	M4	0.29	M4	0.22	M4	0.17
20	60	20	M4	0.29	M4	0.22	M4	0.17
20	80	0	M4	0.29	M4	0.22	M4	0.17
40	0	60	M4	0.40	M4	0.25	M4	0.15
40	20	40	M4	0.40	M4	0.25	M4	0.15
40	40	20	M4	0.40	M4	0.25	M4	0.15
40	60	0	M4	0.40	M4	0.25	M4	0.15
60	0	40	M2	0.45	M3	0.27	M4	0.13
60	20	20	M2	0.45	M3	0.27	M4	0.13
60	40	0	M2	0.45	M3	0.27	M4	0.13
80	0	20	M2	0.46	M3	0.25	M4	0.12
80	20	0	M2	0.46	M3	0.25	M4	0.12
100	0	0	M2	0.47	M3	0.23	M4	0.10

Table 3 Optimal decisions at t = 2010 depending on initial beliefs, when the objective is to minimize windthrow damage

**Historic, SMHI** and **HCCPR** = Cliemat change scenario (details in Table 1), OBJ = Minimum windthrow damage ( $m^3$ /ha/year) expected in average over the planning horizon (2010-2100), **M1-M4** = Management schemes implying different set of silvicultural interventions in planning horizon (see details in section 2.2.3), Grey area = The realised adaptive decision including perfect knowledge i.e.  $w_{it}$  = 100% about the actual climate change scenario