

This is an electronic reprint of the original article. This reprint *may differ* from the original in pagination and typographic detail.

Author(s):	Astor Toraño Caicoya, Marta Vergarechea, Clemens Blattert, Julian Klein, Kyle Eyvindson, Daniel Burgas, Tord Snäll, Mikko Mönkkönen, Rasmus Astrup, Fulvio Di Fulvio, Niklas Forsell, Markus Hartikainen, Enno Uhl, Werner Poschenrieder & Clara Antón-Fernández
Title:	What drives forest multifunctionality in central and northern Europe? Exploring the interplay of management, climate, and policies
Year:	2023
Version:	Preprint version
Copyright:	The Author(s) 2023
Rights:	CC BY-NC-ND 4.0)

Rights url: http://creativecommons.org/licenses/by-nc-nd/4.0/

Please cite the original version:

Toraño Caicoya, A., Vergarechea, M., Blattert, C., Klein, J., Eyvindson, K., Burgas, D., Snäll, T., Mönkkönen, M., Astrup, R., Di Fulvio, F., Forsell, N., Hartikainen, M., Uhl, E., Poschenrieder, W., & Antón-Fernández, C. (2023). What drives forest multifunctionality in central and northern Europe? Exploring the interplay of management, climate, and policies. Ecosystem Services, 64, 101575. https://doi.org/10.1016/j.ecoser.2023.101575

All material supplied via *Jukuri* is protected by copyright and other intellectual property rights. Duplication or sale, in electronic or print form, of any part of the repository collections is prohibited. Making electronic or print copies of the material is permitted only for your own personal use or for educational purposes. For other purposes, this article may be used in accordance with the publisher's terms. There may be differences between this version and the publisher's version. You are advised to cite the publisher's version.

Ecosystem Services

What Drives Forest Multifunctionality in Central and Northern Europe? Exploring the Interplay of Management, Climate, and Policies

Manuscript Number:	ECOSER-D-23-00143R2
Article Type:	Research Paper
Keywords:	multi-objective optimization, biodiversity, forestry, bioeconomy, forest policy, sustainability
Corresponding Author:	Astor Torano Caicoya Technical University of Munich Freising, Deutschland (DEU) GERMANY
First Author:	Astor Toraño Caicoya
Order of Authors:	Astor Toraño Caicoya
	Marta Vergarechea
	Clemens Blattert
	Julian Klein
	Kyle Eyvindson
	Daniel Burgas
	tord snäll
	Mikko Mönkkönen
	Rasmus Astrup
	Fulvio Di Fulvio
	Niklas Forsell
	Markus Hartikainen
	Enno Uhl
	Werner Poschenrieder
	Clara Antón-Fernández
Abstract:	Forests provide a range of vital services to society and are critical habitats for biodiversity, holding inherent multifunctionality. While traditionally viewed as a byproduct of production-focused forestry, today's forest ecosystem services and biodiversity (FESB) play an essential role in several sectoral policies' needs. Achieving policy objectives requires careful management considering the interplay of services, influenced by regional aspects and climate. Here, we examined the multifunctionality gap caused by these factors through simulation of forest management and multi- objective optimization methods across different regions - Finland, Norway, Sweden and Germany (Bavaria). To accomplish this, we tested diverse management regimes (productivity-oriented silviculture, several continuous cover forestry regimes and set asides), two climate scenarios (current and RCP 4.5) and three policy strategies (National Forest, Biodiversity and Bioeconomy Strategies). For each combination we calculated a multifunctionality metric at the landscape scale based on 5 FESB classes (biodiversity conservation, bioenergy, climate regulation, wood, water and recreation). In Germany and Norway, maximum multifunctionality was achieved by increasing the proportion of set-asides and proportionally decreasing the rest of management regimes. In Finland, maximum MF would instead require that policies address greater diversity in management, while in Sweden, the pattern was slightly different but similar to Finland. Regarding the climate scenarios, we observed that only for Sweden the difference in the provision of FESB was significant. Finally, the highest overall potential multifunctionality was observed for Sweden (National Forest scenario, with a value of 0.94 for the normalized multifunctionality metric), followed by Germany (National Forest

	scenario, 0.83), Finland (Bioeconomy scenario, 0.81) and Norway (National Forest scenario, 0.71). The results highlight the challenges of maximizing multifunctionality and underscore the significant influence of country-specific policies and climate change on forest management. To achieve the highest multifunctionality, strategies must be tailored to specific national landscapes, acknowledging both synergistic and conflicting FESB.
Suggested Reviewers:	Alejandra Morán-Ordóñez alejandra.moran@ctfc.cat expert in Forest Ecosystem Services
	Jeannette Eggers jeannette.eggers@slu.se Ecosystem services modelling
	Georg Winkel georg.winkel@wur.nl Policy and Ecosystem services
Response to Reviewers:	

Highlights

- Multi-objective optimization was used to estimate landscape's maximum potential multifunctionality
- A combination of integrative management with segregation for set asides and intensive production is optimal
- Trade-offs between ecosystem services could impair the achievement of maximum multifunctionality
- Sectoral polices must address a high number of ecosystem services to foster multifunctionality

1 Abstract

2 Forests provide a range of vital services to society and are critical habitats for biodiversity, holding 3 inherent multifunctionality. While traditionally viewed as a byproduct of production-focused forestry, 4 today's forest ecosystem services and biodiversity (FESB) play an essential role in several sectoral 5 policies' needs. Achieving policy objectives requires careful management considering the interplay of 6 services, influenced by regional aspects and climate. Here, we examined the multifunctionality gap 7 caused by these factors through simulation of forest management and multi-objective optimization 8 methods across different regions - Finland, Norway, Sweden and Germany (Bavaria). To accomplish this, 9 we tested diverse management regimes (productivity-oriented silviculture, several continuous cover 10 forestry regimes and set asides), two climate scenarios (current and RCP 4.5) and three policy strategies 11 (National Forest, Biodiversity and Bioeconomy Strategies). For each combination we calculated a 12 multifunctionality metric at the landscape scale based on 5 FESB classes (biodiversity conservation, 13 bioenergy, climate regulation, wood, water and recreation). In Germany and Norway, maximum 14 multifunctionality was achieved by increasing the proportion of set-asides and proportionally decreasing 15 the rest of management regimes. In Finland, maximum MF would instead require that policies address 16 greater diversity in management, while in Sweden, the pattern was slightly different but similar to 17 Finland. Regarding the climate scenarios, we observed that only for Sweden the difference in the 18 provision of FESB was significant. Finally, the highest overall potential multifunctionality was observed 19 for Sweden (National Forest scenario, with a value of 0.94 for the normalized multifunctionality metric), 20 followed by Germany (National Forest scenario, 0.83), Finland (Bioeconomy scenario, 0.81) and Norway 21 (National Forest scenario, 0.71). The results highlight the challenges of maximizing multifunctionality 22 and underscore the significant influence of country-specific policies and climate change on forest

- 23 management. To achieve the highest multifunctionality, strategies must be tailored to specific national
- 24 landscapes, acknowledging both synergistic and conflicting FESB.

25

26 Keywords: *multi-objective optimization, biodiversity, forestry, bioeconomy, forest policy, sustainability*

27 1 Introduction

28 Forest ecosystems provide multiple services simultaneously and possess intrinsic multifunctionality 29 values (Winkel et al., 2022). The provision of forest ecosystem services and biodiversity (abbreviated to 30 ecosystem services, for simplicity) has long been considered a side effect of traditional production-31 oriented forestry, but today ecosystem services play a crucial role in meeting the economic and 32 population needs of modern societies (Teben'kova et al., 2020). For instance, climate mitigation 33 demands such as storing carbon or temperature regulation have become increasingly relevant during 34 the last decades (Benz et al., 2020), and recent forest-related policies particularly emphasize the 35 importance of biodiversity conservation (EC, 2021a). 36 Forest multifunctionality is a complex issue which is difficult to quantify and achieve. Most forest 37 management plans associate sustainable multifunctionality with supplying timber production over time 38 as a primary objective, while providing additional ecosystem services such as non-timber products (e.g., 39 berries, mushrooms, game) or recreational activities, as secondary objectives (Simons et al., 2021). As a 40 result, the emphasis on timber production may not always lead to the most effective management for 41 other essential ecosystem services (Peura et al., 2016). Further, several scenarios' studies report a 42 future increase in wood demand, crucial for achieving the EU's climate mitigation goals (Grassi et al., 43 2017; Vizzarri et al., 2022). This trend is especially significant in the Nordic countries and is expected to 44 result in increased wood harvest levels that may potentially intensify pressure on the provision of other 45 ecosystem services and biodiversity (EC, 2018; FS, 2019). Nonetheless, the effects of climate change may 46 hinder the expected higher wood provision when considering that, regionally, forest productivity could 47 decrease and higher vulnerability against hazards is expected (Hanewinkel et al., 2013; Gutsch et al., 48 2018), even more prominently in southern regions of Europe (Gusti et al., 2020).

49 Multifunctionality, however, depends not only on the provision of multiple ecosystem functions and 50 services simultaneously but also on interactions among them (Hölting et al., 2019). Some studies have noted that a higher forest landscape multifunctionality may require lower levels of individual ecosystem 51 52 services (Vincent and Binkley, 1993; Jacobsen et al., 2013), whereas others showed that multifunctional 53 landscapes might positively impact the conservation of biodiversity and the overall maintenance of 54 ecosystem functions (Pasari et al., 2013). These findings illustrated that the provision of a specific 55 ecosystem service is rarely independent of other services, and positive (synergies) and negative (trade-56 offs) relationships among forest services are common (Hölting et al., 2019; Pasari et al., 2013). For this 57 reason, effective forest management strategies are essential for achieving multifunctionality in forested 58 landscapes. Earlier studies applying simulation scenarios have examined how management impacts 59 multifunctionality in European countries. Some of them are focused on specific management strategies, 60 such as continuous cover forestry (Peura et al 2018; Eyvindson et al. 2021), while others analyze the 61 best combination of a set of management strategies to enhance forest multifunctionality (Triviño et al., 62 2023). Similarly, a recent review by Felton et al. (2023) highlighted the complex interaction among 63 alternatives management strategies and the complex array of outcomes for ecosystem services and 64 biodiversity that may result from choosing among them, observing that each management strategies 65 had its own suite of trade-offs, synergies and uncertainties.

A third factor in the achievement of landscape multifunctionality is the impact of policy implementation.
Multifunctional and sustainable forest management has gained policy representation in Europe in the
later years, integrating these principles into national forest policies (Sotirov and Arts, 2018). There is a
growing recognition of the need for forest policies to not only prioritize timber production but also
emphasize the vital role of forests in providing a wide range of ecosystem services (Keeble, 1988;
Urquhart et al., 2012; Elomina and Pülzl, 2021). However, many of these forest-related policies outline
their specific objectives and goals, often aiming at a specific ecosystem service, resulting in a variety of

partly conflicting goals for forests (Pülzl and Hogl, 2013; Aggestam and Pülzl, 2018; Pülzl et al., 2018;
Wolfslehner et al., 2020). Divergent interests and ideological differences across policy sectors result in
divergent and sometimes ambiguous regulatory frameworks for ecosystem services within the EU.
Consequently, the degree of implementation of multifunctional targets in sectoral policy strategies, like
the New EU Forest Strategy for 2030 (EC, 2021b), the EU Biodiversity Strategy for 2030 (EC, 2021a), and
the Bioeconomy Strategy (EC, 2018) will impact the continuous flow of the provision of forest ecosystem
services as well as management of multifunctional forest landscapes.

80 To better understand the importance of the three multifunctionality drivers (region, climate and policy), 81 we must evaluate and analyze the provisioning of multiple ecosystem services at a landscape level. This 82 will clarify the challenges to enable multifunctional landscapes and guide future research. The main 83 objective of this study is to examine the impact of forest management, depending on the region-specific 84 climate, and corresponding national forest policies on the provision of different ecosystem services 85 across different study areas – Finland, Norway, Sweden and Germany (Bavaria). This enables 86 guantification of the area specific ecosystem service trade-offs, and the evaluation of sectoral policies to 87 guide forest development towards the potential maximum multifunctionality. Specifically, we aim to answer the following questions: 88

- Q1: Under the maximum multifunctionality scenario, how do trade-offs and synergies between
 ecosystem services differ among the four studied areas?
- 91 Q2: What is the proportional combination of management regimes that maximizes
 92 multifunctionality in each of the studied countries?
- 93 Q3: How is the potential maximum multifunctionality promoted by different policy scenarios
 94 under climate pathways?





96	Figure 1: Illustration of the study approach. The study area comprises Finland, Sweden, Norway, and Germany represented by
97	the state of Bavaria. Based on forest and climate data simulations scenarios are developed for 6 management regimes. Two
98	optimization phases are performed, first for three sectoral policy scenarios and second for the maximum potential
99	multifunctionality. By contrasting the outcomes of these two optimization processes, we can estimate the multifunctionality
100	gaps between the policy scenarios and the maximum multifunctionality achievable. Finally, the provision of ecosystem services
101	for the maximum multifunctionality is calculated. MF stands for multifunctionality. The six management regimes are: business
102	as usual-rotation forestry (BAU), intensification of BAU (I-BAU), extensification of BAU (E-BA), continuous cover forestry (CCF),
103	adaptation to climate change (ACC) and set-asides (SA).

104 2 Methods

- 105 2.1 Workflow and summary
- 106 To allow for regional comparisons of forest ecosystem services and therefore, forest multifunctionality,
- 107 National Forest Inventories (NFIs) are, when available, among the best datasets to analyze forest wood
- availability at the national scale, since they usually cover the entire forest area of a country (Jandl et al.,
- 109 2018; Blattert et al., 2020; Kovac et al., 2020). At the same time, advances to quantify the trade-offs and
- synergies between ecosystem services are gaining research attention. One approach to quantify the
- 111 trade-off is multi-objective optimization, which formed part of the basis to solve land-use conflicts as
- 112 well as assessing complex interactions between multiple ecosystem services (Chen et al., 2016; Eggers et
- 113 al., 2020).

114 The combination of local level forest data and multi-objective optimization methodology has been used

to compare the values of multifunctionality achieved in alternative scenarios (Pohjanmies et al., 2021)

and to evaluate the impact of forest management alternatives in forest multifunctionality (Eyvindson et

al., 2021). Figure 1 exemplifies our methodological approach. Four countries are assessed, Finland,

118 Sweden, Norway, and the region of Bavaria in Germany (simplified to Germany).

Based on our findings, we assessed the reasons for variations between multifunctionality assessmentsand the implications for management and decision-making.

121 2.2 Forest data and simulation

122 This study was carried out in four European study regions (Figure 1) using a similar methodology across 123 the regions. Data from the most recent National Forest Inventories were used in Sweden (2008-2012), 124 Norway (NFI11, 2015-2019), and Bavaria representing Germany (NFI3, 2012) to simulate forest dynamics 125 and management. In the case of Finland, the inventory scheme of the NFI11 was used to sample public 126 forest data (2015/2016) and to represent the national forest area systematically. In total, 56221 plots 127 were selected in Finland, 29892 in Sweden, 9371 in Norway, and 7456 in Germany (only in the state of Bavaria). For a more detailed description of the forest inventory data see supplementary material S1, 128 129 Forest data management and simulations. National forest inventory data are a representative sample of 130 the forest ecosystems of each region. Forests in the NFI datasets are mostly secondary managed forests, 131 which is the most common in European forests, but they also include intensive plantations, and

132 protected areas. Primary forests in the study regions are negligible.

133 For each NFI plot, forest dynamics development was simulated in five-year periods over 100 years using

134 specific regional simulators. By using these tools, we were able to address the site-specific forest

135 conditions and dynamics (tree growth, mortality, and regeneration), as well as to cope with the diversity

136 of regional forest management practices. The forest simulators used were Heureka for Sweden

137 (Wikström et al., 2011), SiTree for Norway (Antón-Fernández and Astrup, 2022), SILVA for Germany 138 (Pretzsch et al., 2002) and SIMO for Finland (Rasinmäki et al., 2009). These simulators use models built 139 for the countries/regions they simulate. Additionally, we simulated forest dynamics and management 140 under two climate trajectories: current climate (1.5 °C) and representative concentration pathways RCP 141 4.5. The so-called current scenario (1.5 °C) assumed net-zero GHG emission by the EU in 2050 since it 142 counted on the EU and countries strongly contributing to the Paris Agreement's temperature objectives. 143 The Nationally Determined Contribution (NDC, 2023) (NDC translated into the RCP 4.5) comprised a 40% 144 reduction of greenhouse gas emissions by 2030 (from 1990 levels), as well as a 27% share for renewable 145 energy, and a 27% increase in energy efficiency (For further details, see Supplementary S1 and S4). 146 Although simulated management regimes among study areas were heterogeneous due to different 147 regional practices, they could be categorized into the following six common classes (Table 1 and 148 Supplementary S1). The management regimes classified as business-as-usual represent even-aged forest 149 management with intermediate thinnings and final clear-cut with planting after the final harvest. The 150 intensified class (I-BAU) characterizes those regimes with shortened rotation times of forest stands. In 151 Germany and Sweden these management regimes also included the promotion of productive foreign 152 tree species while in the boreal study regions, it included the effects of fertilization. On the contrary, the 153 extensify management class (E-BAU) includes regimes with prolonged rotation times and decreased 154 thinning intensity (in all regions). In Finland and Sweden, this class allowed for a larger number of 155 retention trees after the final cutting. A continuous cover forest class aims to maintain regular wood 156 supply as well as forest stands permanently covered with complex tree structures and natural 157 regeneration. In Finland and Germany, it also includes regimes that are production oriented for 158 monospecific stands of Norway spruce or Scots pine. The adaptation to climate change class (ACC) 159 promotes tree species diversity, aiming to increase resilience and stability to climate change and 160 climate-induced disturbances. Finally, a set-aside regime was the alternative without any management

- activities (e.g., NFI plots falling into statutory protected areas were only simulated with set aside).
- 162 Depending on the applied simulator and region (except for set aside) the total number of regimes
- 163 representing each management class differed.
- 164 Table 1: Management regime classes applied in the forest growth simulations.

Management class	Description
Business-as-usual (BAU)	Management based on even-rotation forestry with intermediate thinning and final clear-cut with planting after the final harvest.
Intensified BAU (I-BAU)	Shortened rotation times of forest stands. It could include the effects of fertilization (boreal regions) or the promotion of productive foreign tree species (Germany and Sweden)
Extensified BAU (E-BAU)	Prolonged rotation times and decreased thinning intensity. Regimes that could leave a larger number of retention trees after final harvest (Finland and Sweden)
Continuous cover forestry (CCF)	Regimes based on continuous wood production and forest stands permanently covered with diverse structures and natural regeneration.
Adaptation to climate change (ACC)	Management aimed to promote species diversity to increase resilience and stability against climate change and disturbances.
Set-aside (SA)	Protecting forest, no thinning, no harvest.

- 166 2.3 Forest ecosystem service indicators
- 167 For each specific regional study area, management regime and climate scenario, the simulated forest
- 168 characteristics (e.g., tree species, tree dimensions, deadwood amounts, harvest volumes) were used to
- 169 estimate a set of ecosystem services indicators at each 5-years period. In total, we defined six common
- 170 categories of forest ecosystem services according to international classification schemes (Haines-Young
- and Potschin-Young, 2018; M.E.A., 2005) and following an analysis framework for European policy
- documents (Primmer et al., 2021). The set of ecosystem services selected included wood production and

bioenergy (provisioning services), water protection and climate regulation (regulating services),

174 recreation (cultural services), and biodiversity conservation.

175 To ensure comparability across our study regions, in this work, we focus on the provision (supply) of 176 ecosystem services, that are linked to the forest landscape structure and characteristics through 177 indicators. In each study area there is at least one indicator corresponding to each ecosystem service 178 and biodiversity. To select the ecosystem services indicators and include them in our analysis we applied 179 two criteria: indicators should be addressed in the national policies and could be calculated from 180 available data, in this case, data from National Forest Inventories (Blatter et al., 2022; Vergarechea et al., 181 2023; Toraño-Caicoya et al., 2023). In this way, we addressed a wide spectrum of ecosystem services 182 instead of having only a common minimum set of indicators. Then, although indicators can differ among 183 the four study regions, they represent a wide and common spectrum of ecosystem services, which can 184 be used to develop comparisons among the four study regions. However, in this study, a comparison 185 among study regions did not take place at the level of indicator but at the level of ecosystem services 186 categories, as well as management classes. This approach allowed us to address the most significant 187 societal preferences in each study region and to emphasize the multifaceted role of FES. For a more 188 detailed description of the indicators used in each study region see Supplementary S2 and Table S6 – 189 Table S9.

190 2.4 National policy scenarios.

We defined three policy scenarios for each study area (the Forest Scenario, Biodiversity Scenario, and Bioeconomy Scenario) based on the three main national policy documents which reflect the goals and governance mechanism for ecosystem services provision. The policy scenarios were represented by independent strategies (Finland and Germany) (Blattert et al. 2022, Toraño-Caicoya et al. 2023), a combination of policy strategies with an analysis of the parliament white paper on forest policy

196 (Norway) (Vergarechea et al. 2023), or specific reports advising policy implementation (Sweden) 197 (Blattert, et al. 20023) conducted under the advice of key stakeholders. This variation in policy scenario 198 definition among countries reflects the national differences in policy cultures and levels of national 199 policy dissensus or consensus related to ecosystem services governances. Then, following the approach 200 of Primmer et al. (2021), each of the major forest-related national policies was represented through a 201 set of objective functions as described in Table S10 – Table S13. In the Supplementary material S3 we 202 show how each study region has translated its national documents into an optimization problem and 203 linked it to the simulated ecosystem services indicators.

Forest Strategy: In Finland, the Forest scenario provides wide coverage of ecosystem services and many quantitative targets (Blattert et al., 2022). The German scenario is characterized by a strong conception of multifunctionality, with minor emphasis on non-wood services. Contrarily, in Norway, the Forest scenario aimed at boosting the wood production and extraction of wood-based materials, bioenergy, and biofuels. Finally, Sweden replaces this scenario with the developing National Forest Program, which mainly aims to raise wood growth.

Biodiversity Scenario: For Finland, this scenario focuses on achieving a favorable status for biodiversity
and ecosystem services by 2050. The German Biodiversity scenario followed the same logic, focusing on
the provision of biodiversity conservation. In Norway, this scenario prioritizes preserving, and enhancing
biological diversity as well as integrating the protection against erosion and the recreational value. In
Sweden, the Biodiversity scenario also recognizes the multifunctional use of forest ecosystems on top of
biodiversity conservation objectives. The Swedish Biodiversity scenario focused on the Swedish
Environmental Objectives and the Swedish Achi Targets of the CBD.

Bioeconomy Scenario: The Finnish version of this scenario focuses on mobilizing forest resources to
enhance the bioeconomy, while biodiversity should be simultaneously safeguarded at the current level.

219 The German case focuses on the provision of specific ecosystem services, in this case wood production.

220 Contrary to other countries, the Bioeconomy scenario in Norway highlighted the value of the

221 multifunctional use of forest ecosystems, recognizing the role of forests in climate regulation, wood

production, bioenergy, biodiversity, and recreation. Finally, the Swedish scenario was replaced by inputs

from specific studies on how to increase wood growth and enduring future harvest levels, while fulfilling

224 conservation targets.

225 These scenarios were separately optimized for the ecosystem services demands stated by the national

forest strategy, the biodiversity, and the bioeconomy strategy, (Blattert et al., 2022; Vergarechea et al.,

227 2023, Toraño et al. 2023). The optimal solutions for these policy scenarios can be found in

228 Supplementary Material S5. These scenarios were compared with an additional scenario that focused on

229 maximizing multifunctionality, which will be defined in the following sections.

230 2.5 Measuring multifunctionality

231 The multifunctionality analysis was done in two steps. First, for each study area and climate scenario the

232 maximum multifunctionality was calculated, using a multi-objective optimization framework like the one

used by Eyvindson (2021) (section 2.5.1). Here, we understand maximum multifunctionality as the

234 maximum provision of ecosystem services that a landscape can potentially achieve. Second, following

the same procedure, a multifunctionality metric for each policy scenario and climate was calculated

236 (section 2.5.2). In this way, the multifunctionality achieved by each policy scenario and climate could be

compared with the potential maximum multifunctionality using the same scale.

238 2.5.1 Maximum multifunctionality: optimization

239 To explore potential national maximum multifunctionality we used a multi-objective optimization

240 framework. The framework was used to identify optimal forest management programs that best fulfill

the different demands for ecosystem services defined in the maximum multifunctionality scenario for

each study area. Therefore, the optimization framework aimed to provide an efficient management
solution for each forest entity. In this case, we used the future trajectories (5-year steps) of ecosystem
services indicators on each NFI plot, as input.

The general frame for the optimization problem is one where we maximize multifunctionality (Eq. 1). This optimization can be seen as a goal programming formulation (such as in Eyvindson, 2012), where different ecosystem service classes can be treated with different distance measures.

248
$$\max \sum_{b \in B} \frac{MFd_b - MFd_{b^*}}{MFd_b^* - MFd_{b^*}}$$
(1)

where MFd_b , MFd_b^* , and MFd_{b^*} represent the measured, ideal, and anti-ideal multifunctional deviation for component b; B is the set of components. To calculate the ideal and anti-ideal values, a series of separate optimization problems were run both maximizing and minimizing the single indicator using all feasible management alternatives. For this problem formulation, the objective (Eq. 1) maximizes the summed normalized distance from each ecosystem service, while Eq. 2, measures the distance for wood production, bioenergy, water protection, and climate regulation and Eq. 3 for Biodiversity and Recreation:

256
$$MFd_b = \frac{1}{\#T_b} \sum_{t \in T_b} \frac{(f_t - f_{t^*})}{(f_t^* - f_{t^*})}$$
(2)

257
$$MFd_b = argmin_{t \in T_b} \frac{(f_t - f_{t^*})}{(f_t^* - f_{t^*})}, \forall b \in B$$
(3)

where $f_{t^*} f_t^*$ and ft respectively represent the ideal, anti-ideal, and obtained values for indicator t. For the calculation of each value, a set of objective functions for each indicator were defined. All indicators (with their units) that were used to estimate each ecosystem service class, and the type of aggregation (averaging, Eq. 2, or minimizing, Eq. 3, when there is more than one) are summarized in Table 2 and the detailed in Supplementary material S6 (equations S1-S11) for all study regions. This set of indicators has 263 defined the maximum multifunctionality scenarios for each region. To allow for replication we uploaded

the code on an online repository together with a sample dataset

265 (https://github.com/maeehart/MultiForestDemonstration).

266 2.5.2 Multifunctionality metric for each policy scenario and ecosystem services analyses 267 While a standardized method for evaluating multifunctionality is lacking, earlier research has commonly 268 aggregated various ecosystem functions and services into a single metric, hereafter called the 'MF 269 indicator', to estimate multifunctionality levels. In this study, we explored forest multifunctionality at 270 the landscape scale, rather than at the stand scale. To achieve this, we initially assessed all indicators at 271 the stand level and subsequently, these were aggregated across the respective country or region for 272 each case study, resulting in a comprehensive landscape-level value. 273 We defined multifunctionality based on the aggregate six standardized ecosystem services classes. 274 These classes were normalized using the theoretical maximum (ideal) and minimal (anti-ideal) values 275 derived from the Tables S6-S9 and equation 1. Furthermore, we assigned equal priority to all 276 components of multifunctionality, thereby giving each component an equal weight in our assessment. 277 Thus, we aggregated indicators within each ecosystem services class through two measures: the average 278 value between all indicators (Eq. 2) and the minimum value across all indicators (Eq. 3). Wood

279 production, bioenergy, water protection, and climate regulation were estimated as the average (of

equal importance) of their indicators since our aim was to enhance the overall yield of these services.

281 Conversely, biodiversity and recreation were estimated based on the minimum values across the

indicators, as our objective is to maximize the benefits associated with the lowest scores.

283 Finally, a Pearson correlation analysis was used to assess the spatial correlation among the six common

ecosystem services at the end of the simulation period. We calculated correlations to explore the

interrelationships among the six ecosystem services within each NFI plot, resulting in a scatter plot

matrix. This was done to identify synergies and trade-offs among the ecosystem services across the
 different study areas under the maximum multifunctionality scenario. The specific formula is as follows:

288
$$R = \frac{\sum (x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum (x_i - \bar{x})^2 - (y_i - \bar{y})^2}}$$
(4)

Here, R denotes the relationship (either trade-of or synergist) between two ecosystem services. x_i and y_i represent individual values of the two services while \bar{x} and \bar{y} are their respective means. When the correlation coefficient was positive, it was assumed that there was a synergy between them; otherwise, a trade-off relationship was assumed. The strength of the correlation is determined by the absolute value of the correlation coefficient. In our case, a correlation coefficient in the range of (0, 0.2) indicates a weak correlation, that in the range of (0.2, 0.6) indicates a moderately strong correlation, and that in the range of (0.6, 1) indicates a strong correlation. Table 2: Summary of indicators used to characterize each Forest Ecosystem Service and Biodiversity per country and the aggregation type. AVG stands for average and MIN for
 minimum measure used to aggregate the indicators in the multifunction optimization to ecosystem services classes.

Forest ecosystem services and Biodiversity	Aggregation	Indicator (unit)			
		Norway	Germany	Finland	Sweden
	AVG (Eq.2)	Harvest net value (NOK)	Annual Increment (m³ha⁻¹year⁻¹)	Annual Increment (m ³ ha ⁻¹ year ⁻¹)	Net Present Value (SEK)
Wood production		Harvested volume (Mm ³)	Harvested volume (m³ha ⁻¹ year ⁻¹)	Harvested volume roundwood (m ³ ha ⁻¹)	Annual Increment (m³ha⁻¹year⁻¹)
					Harvested volume (m³year ⁻¹)
Bioenergy	AVG (Eq.2)	Harvested residues (Kt)	Harvest residues (m ³)	Harvested biomass (m ³ ha ⁻ ¹)	Harvested residues (m³year-1)
	MIN (Eq.3)	MiS area ¹ (ha)	Biodiversity fuzzy indicator (ND)	Conservation regimes (-)	Old Deciduous (ha)
		Deadwood volume (Mm ³)		Deadwood (m ³ ha ⁻¹)	Deadwood volume (m³ha⁻¹)
Biodiversity		Bilberry (%)		Deciduous tree volume (%)	Share of regime SA (%)
				Large trees (DBH > 40cm) (n ha ⁻¹)	
Water protection		Harvest volume in steep terrain and mountain forests (Mm ³)	Crown coverage (%)	Regimes CCF/SA on peatland (%)	Share of regime CCF (%)
water protection	AVG (Eq.2)		Standing volume (m ³ ha ⁻¹)		
Climate regulation	ulation AVG (Eq.2)	CO ₂ storage in harvested wood product (Kt)	Total Carbon Balance	Carbon sink	Carbon in wood and soil (t CO ₂ ha ⁻¹)
		Flow of carbon sink in forest (MKt)			
Pograation	MIN (Eq.3)	Harvest in city plots forest (Mm ³)	Recreation and Esthetics Recreation index (-)	Recreation index (-)	Recreation index (-)
Recreation		Shannon index	fuzzy indicator (ND)	Scenic index (-)	

298

MiS = Norwegian hot spot national inventory for biodiversity, the abundance of big and broadleaved trees.

299 3 Results

300 3.1 Consequences for the provision of ecosystem services

The results from the maximum multifunctionality scenario showed, as expected, the most balanced provision among the analyzed ecosystem services (Figure 2). This was more visible in the case of Finland and Germany. For this analysis we concentrate on a time snip after 100 years (Figures 2 and 3). The complete development in time (100 years) for each region can be seen in the Supplementary material, Figures S5-S8.

In Finland, the provision of water regulation services and recreation values did not differ much among policy scenarios, including the maximum multifunctionality scenario (Figure 2). Conversely, biodiversity remained consistently low across the three policy scenarios, and significantly lower than the levels observed in the maximum multifunctionality scenario. The Biodiversity scenario showed the lowest values for bioenergy and wood, while both the Bioeconomy and National Forest Strategy scenarios performed better than the maximum multifunctionality for wood and bioenergy.

In Germany, we observed that the Biodiversity scenario follows a very close and similar trend to the maximum multifunctionality, closely followed by the Forest Strategy. The latter slightly outperforms the other two scenarios in terms of recreation. The Bioeconomy scenario, in contrast, is more unbalanced, showing notably lower values for biodiversity and recreation. In general, all scenarios perform similarly in services such as wood, bioenergy, climate, and water, but they differ significantly when it comes to biodiversity.

In Norway, water regulation services consistently had the lowest values for all ecosystem services in all scenarios, closely followed by bioenergy (which approached zero for the Forest Strategy). The scenario that achieved the highest multifunctionality had the highest values for biodiversity, bioenergy, wood,

321 and recreation benefits; however, the Biodiversity scenario had higher values for climate as shown in 322 Figure 2. In the context of biodiversity conservation, the Biodiversity and Bioeconomy scenarios 323 outperformed the National Forest Strategy but had, at the same time lower recreation values. 324 In Sweden, the provision of forest ecosystem services was particularly heterogeneous among scenarios 325 (Figure 2). The Biodiversity Strategy led to the highest values for biodiversity and climate, closely 326 followed by the maximum multifunctionality scenario. Moreover, these two scenarios provided the 327 most favorable conditions for water resources and recreation. In contrast, both the National Forest 328 Strategy and the maximum multifunctionality scenario outperformed the Bioeconomy scenario in terms of bioenergy levels. Finally, the highest levels of ecosystem services were observed in wood, particularly 329 330 for the Bioeconomy scenario, followed by the Forest strategy, with the maximum multifunctional 331 scenario showing the lowest levels in this regard.



332

Figure 2: Comparison of the provision of Forest Ecosystem Services and Biodiversity for the national sectoral scenarios (National Forest, Biodiversity, and Bioeconomy strategies)) and the potential Maximum Multifunctionality scenario after 100 years for each of the study areas. The results are for the RCP4.5 climate scenario. To allow comparison between Ecosystem services and policy scenarios, values were normalized using the theoretical maximum (ideal) and minimal (anti-ideal) values derived from the Tables S6-S9 and equation 1. Results for noCC scenario are presented in Figure S8

338 Regarding the comparison between the two climate scenarios after 100 years (Figure 3), we observed

that only in the case of Sweden the difference was dramatic, especially concerning wood- and climate-

related services, which showed higher levels with RCP 4.5. In Germany, we observed changes in

bioenergy and wood that decreased with RCP4.5. In Norway, however, there was only a slight decrease

in wood. Whereas in Finland, RCP4.5 led to a higher wood supply (than in Sweden) and a higher value ofbioenergy.



Figure 3: Comparison of the provision of Forest Ecosystem Services and Biodiversity for the two climate scenarios after 100 years
 of simulation, The green line: the so-called current scenario, 1.5 °C, (here noCC), and the orange line: RCP4.5 scenario for the
 max multifunctionality scenario. To allow comparison between Ecosystem services and climate scenarios, values were
 normalized using the theoretical maximum (ideal) and minimal (anti-ideal) values derived from the Tables S6-S9 and equation 1.

- 349
- 350 The potential maximum MF scenario revealed strong correlations, both positive and negative, between
- 351 ecosystem services, but these differ amongst study regions (displayed for RCP4.5 in Figure 4 and for
- 352 NoCC in Figure S9). Across all countries, a positive correlation was observed between wood and

353 bioenergy, whereas negative correlations were found between recreation and climate, as well as wood 354 and water. The ecosystem services wood and climate and the ecosystem services climate and bioenergy 355 had a negative correlation for Finland and Norway but a positive correlation for Germany. Conversely, 356 water and biodiversity displayed a positive correlation in Norway and Germany but neutral for Sweden 357 and Finland. Other pairs of ecosystem services did not show significant correlations, suggesting a rather 358 independent relationship. Notable examples include the lack of correlation between recreation and 359 biodiversity in Norway and Germany, as well as between recreation and water in Norway, Germany, and 360 Finland. Norway showed the lowest levels of correlation, indicating a higher degree of independence 361 amongst ecosystems services compared to Germany and Finland. Finally, in Sweden positive correlations 362 dominated and were particularly strong concerning climate regulation-recreation and wood-recreation. The negative correlations were generally weaker, tending towards zero. 363



364

Figure 4: Synergies and trade-offs among the six ecosystem services selected for the potential maximum MF scenario and the
 RCP 4.5 climate scenario. Values correspond to pairwise Pearson's correlation coefficients between indicators (positive
 correlations = synergies and negative correlation = trade-offs). Results for noCC scenario are presented in Figure S9

The largest difference between the optimum proportion of each management regime necessary to achieve maximum multifunctionality and the corresponding proportions in each of the sectoral policy scenarios was found for Sweden (Figure 5). For each country, Figures S1-S4 in supplementary material show the proportion of optimal management regimens for the three policy and climate scenarios, which have been compared with the maximum multifunctionality scenario. In Germany and Norway maximum

^{368 3.2} Management prescription

374 multifunctionality is, for all scenarios, mainly achieved by an increase in the proportion of set-aside, and 375 a general decrease in a similar proportion of the rest of management regimes. This tendency was not 376 observed in Finland, where almost the opposite trend was observed. Here, the proportion of set-asides 377 is reduced compared with the Biodiversity strategy scenarios, with an increase in the diversity of 378 management regimes applied. The effect of climate in the selection of optimal management regimes 379 was small for Norway and Finland but larger in Germany and Sweden. In this regard, we could 380 appreciate a stronger proportion of set-asides in Germany for RCP4.5 with the consequent stronger 381 decrease for the rest of management regimes. In Sweden, the pattern was slightly different but closer to 382 the Finnish case. The proportion of continuous forest cover was higher for both climates and policy 383 scenarios in the maximum multifunctionality scenario compared with the sectoral policy scenarios while 384 the set-aside area was lower instead. Additionally, the results showed that maximum multifunctionality 385 could be achieved with a more intensive intensified business-as-usual (> 60%) under the Biodiversity 386 scenario.



387 388

Figure 5: Difference in the share of management regimes between the maximum multifunctionality scenario (MF) and each of 389 the policy scenarios (PS) for the study countries in the coming 100 years. noCC stands for the current climate scenario. The color 390 ramp is centered around light yellow, when there are no differences, and then continuously scaled in 1% steps from -80% (dark 391 red) to +80% (dark green). The proportion of management regime per policy and climate scenario of each of the studied areas 392 are shown in supplementary material, S1-S4. The management categories are described in Table 1.

- 393 3.3 Multifunctionality achieved per policy scenario.
- 394 Using the methods described in 2.5.1, we calculated for each country the potential maximum
- 395 multifunctionality metric and compared this with the multifunctionality metric observed in each of the
- 396 policy scenarios (section 2.5.2). Thus, we could compare the distance from each of the policy scenarios
- 397 to the maximum multifunctionality that can be potentially achieved for each study region (Figure 6). We
- 398 observed that Finland, Germany, and Sweden could all achieve similar levels of maximum
- 399 multifunctionality, although these levels were slightly lower for Norway. Germany and Sweden, and
- Finland and Norway showed similar multifunctionality patterns, both in terms of their maximum 400

401 multifunctionality across policy scenario and their impact in climate. In the former two countries, 402 Sweden and Germany, the National Forest scenario gave the highest multifunctionality with a 403 multifunctionality metric value of 0.94 and 0.83, respectively, closely followed by the Biodiversity 404 scenario (0.70 and 0.73), while the Bioeconomy scenario (0.63 for both) resulted in the lowest 405 multifunctionality. Under the RCP4.5, all scenarios deviated slightly from maximum multifunctionality, 406 but the difference was negligible. In Norway, the influence of climate played a much smaller role, with 407 almost no noticeable impact. The Biodiversity scenario showed slightly higher values for the current climate (noCC), even though it resulted in the lowest multifunctionality (0.49). Finally, in Finland, the 408 409 trend was the opposite compared to Germany and Sweden, showing the maximum multifunctionality 410 for the Bioeconomy scenario (0.61). The trend, however, was smoother than that in Sweden and 411 Germany.





415 4 Discussion

416 4.1 Role of ecosystem services for a multifunctional management

417 Our correlation analyses among ecosystem services showed strong synergies and trade-offs among

418 some ecosystem services. These synergies can be used in multifunctionally oriented management

- 419 (Felipe-Lucia et al., 2018). Specifically, those ecosystem services that have a strong negative correlation
- 420 will impair the achievement of maximum multifunctionality, as an improvement of one will translate
- 421 into a decline of the other. We could clearly observe this in wood and recreation. In this case, for all
- 422 study regions higher procurement of wood would negatively impact the recreation potential of forests.
- 423 We also found that wood and bioenergy are strongly correlated, as such, an improvement in the

424 provision of wood would improve the provision of bioenergy as well. This was expected, as they are 425 both closely related to forest harvest levels. However, other synergies or conflicts were not so evident, 426 for example, water and biodiversity, which for Germany and Norway are positively correlated. 427 In some regions (especially Germand and Finland), we observed that correlations among ecosystem 428 services were more pronounced than in others. In this case, the occurrence of large negative or positive 429 correlations would cause high difficulties in obtaining high multifunctionality since some groups of 430 ecosystem services will play against others. It should be noted that our results are influenced 431 significantly by key choices made in the study design like simulation length, the choice of discount rate, 432 or the indicators used, among others. Especially, in such cases of conflicting ecosystem services, 433 segregating specialized forest management by forest ecosystem service at the landscape level might be

434 appropriate (Duncker et al., 2012), as we discuss below.

435 These findings show that to maximize forest multifunctionality, management strategies and policies 436 must account for these linkages and enhance the supply of several interrelated ecosystem services. 437 Despite recent efforts to incorporate forest multifunctionality into policies and management objectives 438 (Sotirov and Arts, 2018), the challenge remains with scarcity of knowledge on the consequences of 439 specific environmental policies or management decisions for different ecosystem services and their 440 relationship. Thus, our optimization analyzes like this can be used to support regionally relevant choices 441 between optimizing the supply of multiple ecosystem services at a given location, easier when synergies 442 exist, or segregating specialized forest management, which is more suitable when trade-offs among 443 ecosystem services are dominant (Duncker et al., 2012).

Recent studies have shown that a key insight from the ecosystem services management framework, and
therefore multifunctionality, is the unavoidable trade-offs in benefit supply (Mazziotta et al., 2022;
Morán-Ordóñez et al., 2020; Turkelboom et al., 2018; Vergarechea et al., 2023). Assessing the synergies

447 and trade-offs of ecosystem services could provide a baseline for comparing alternative future scenarios 448 and insights into potential policy and management outcomes (Bryan, 2013; Mouchet et al., 2014). Even 449 with ecosystem service like Recreation, which is yet a poorly developed economic sector on typical 450 forest land in all studied areas, an expected increased influence on future forest management (Tudoran 451 et al., 2022) will need to be considered in any implementation. Others more established, like wood 452 production are balanced with recreation over time, but it is essential to develop site-specific 453 management strategies. For example, those areas with high recreational demand may benefit from 454 extending the rotation period (Eggers et al., 2018). Moreover, since wood and bioenergy are positively 455 correlated, it would be expected that focusing on water protection (by protecting steep slopes) would 456 result in better forest structures for biodiversity.

In our study we focused on the supply of ecosystem services. However, considering both supply and
demand of ecosystem services, especially in the context of planning and decision-making, is important,
as there are typically mismatches in the spatial distribution and routing of these services (Laterra et al.,
2016). For instance, providing recreation opportunities in hard-to-reach areas may yield limited real
benefits to society, since very few people would be able to enjoy it. Conversely, providing recreational
options in peri-urban areas, where demand is high and accessibility is easy, can significantly enhance
societal benefits.

The inclusion of simulated climate effects did not appear to change the distribution of ecosystem
services for maximum multifunctionality. Only in Sweden, the provision of all ecosystem services
increased in RCP4.5 compared with a no change scenario, confirming the findings of (Mazziotta et al.,
2022) that higher GHG concentrations would enhance multifunctionality. In Nordic countries, RCP4.5
generally increases growth (D'Orangeville et al., 2018; Reyer et al., 2014), so it allows a higher provision
of wood without hindering the provision of other ecosystem services. However, as Blattert et al. (2022)
recently noted, we should not underestimate the effect of climate change on the provision of ecosystem

471 services under different policy scenarios, since the low effect of climate on outcomes is partly caused by 472 the defined optimization problem (objective functions & constraints) that balance out climate-induced gains and losses. For instance, studies have concluded that higher forest growth due to climate change 473 474 might reduce wild berry production since forests will likely become too dense, reducing sunlight, and 475 reaching understory vegetation (Mazziotta et al. 2022). Further, an increasing number of studies have 476 shown that climate change will lead to higher disturbance rates in the future, influencing forest 477 dynamics and therefore the capacity of forests to provide ecosystem services (Danneyrolles et al., 2019; 478 Vanderwel and Purves, 2014). Consequently, climate change might offset productivity gains in the 479 Nordic countries by increasing disturbances (insect pest outbreaks, extreme droughts, storms, and 480 forest fires), making it harder to meet wood demands (D'Orangeville et al., 2018; Hanewinkel et al., 481 2013). There is therefore a risk that the increase in tree stocks in these studies is overestimated. 482 However, these sources of uncertainty were not considered in the current study and might pose 483 additional challenges to achieving multifunctionality in our study areas. Management recommendations to improve multifunctionality. 484 4.2 485 Overall, to increase multifunctionality required an increase in the proportion of forests allocated to the 486 set aside management regime. However, this conclusion should be taken with care, since climate 487 change induced changes in disturbance regimes were not included in the management regimes, this 488 scenario could be unrealistic, especially because wood production is still needed. To optimize 489 management for multifunctionality, the regimes must be adapted to each country's landscape 490 conditions and the impact of management differs among countries due to starting landscape conditions 491 and specific policy targets.

In Germany, the proportion of continuous cover forestry and multifunctional regimes adapted to climate
 change would have to be decreased for all policy scenarios. This can be seen as an alternative to an

494 increased proportion of set-asides. This compensates for the maintenance of regimes with intense 495 harvesting strategies, that account for the loss of wood production coming from set-asides. In Norway, 496 this is also apparent although in this case, continuous cover forestry and adaptation to climate change 497 should be slightly increased as well. The main difference here may be a result of the already large 498 proportion of continuous cover forestry in Germany. In both cases, there is also a decrease in the rest of 499 the management regimes, especially the most intensive ones, suggesting that intensive regimes in these 500 study areas might result in losses of multiple non-timber forest benefits. This has been observed by 501 Jonsson et al., (2020) Nolet et al., (2018), and Pohjanmies et al. (2021), who found a reduction in forest 502 multifunctionality due to intensive forestry. Pohjanmies et al. (2021) also found that, when maximizing 503 multifunctionality, temporary set-asides (20 years at a time) was by far the most widely applied regime, 504 ranging from 54% to 89% of total forest area, with the remaining area under rotation or continuous 505 cover forestry. These are, however, levels for temporary set-asides, and in practice preserving such high 506 levels of set-aside permanently, would become problematic at a certain point due to the narrow space 507 remaining for intensifying/managing the rest of the forest.

508 In the Finnish and Swedish cases, the situation is reversed. Countries with highly intensive management, 509 maximum multifunctionality can only be achieved by increasing the area with regimes that adapt forest 510 against climate change, and, in turn, favors continuous cover forestry, combined with intense wood 511 production regimes (intensive business as usual) in other parts of the territory. However, this also 512 requires certain proportions of set-aside areas. The former two management regimes promote species diversity and structural heterogeneity, increasing multifunctionality and alleviating trade-offs more than 513 514 other management alternatives (Huuskonen et al., 2021; Schwaiger et al., 2018). Interestingly, in 515 Sweden, the area of intensified business as usual had to be increased to reach maximum 516 multifunctionality for the Biodiversity scenario, in contrast to the other case areas, moving from a 517 relatively even distribution of management regimes to a more segregated one.

518	This emphasizes the importance of careful planning, where a combination of management alternatives
519	and their share of the landscape can fulfill specific management objectives. A recent study has
520	demonstrated that the principles of Climate-Smart Forestry can reconcile biomass harvesting targets
521	and a supply of forest ecosystem services (Verkerk et al., 2020). As they observed, through an optimal
522	combination of forest management planning it is possible to differentiate between areas supplying
523	timber at high rates, and areas devoted to climate change mitigation, non-wood ecosystem provisioning,
524	and biodiversity conservation. However, restricting the range of management alternatives may lead to a
525	decrease in the effectiveness of the overall management objectives (Eyvindson et al., 2021).
526	The degree of implementation of multifunctional forestry enabled the achievement of maximum
527	multifunctionality. In Germany, traditional multifunctional management has eased the optimization for
528	maximum multifunctionality. Since the starting point management is based on diverse forest landscapes
529	- with mixed species and structures, combined with diverse management strategies - the goals were
530	easier to achieve (Borrass et al., 2017). This means the landscape was already providing multiple
531	ecosystem services, so it was not necessary to modify the current conditions drastically. Specifically, in
532	German forests, there has been a notable shift in federal policy and federal state forest laws toward
533	multifunctional management in the last few decades (Borrass et al., 2017). The opposite example can be
534	represented by the Finnish or Swedish forest management plans, which should start going beyond an
535	economic growth paradigm (e.g., high annual increment targets) to achieve higher multifunctionality
536	(Blattert et al. 2022). Interestingly, we could observe how the different conceptions of the Forest
537	Strategy affected multifunctionality, with contrasting results between Germany and Finland. While for
538	the first it almost achieved maximum multifunctionality, for the latter, the high harvest targets of the
539	Finnish forest strategy impede the achievement of non-timber services and biodiversity, which increases
540	within policy conflicts and leads in turn to lower multifunctionality levels.

541 4.3 Impact of national strategies on potential maximum multifunctionality

According to our investigations, the potential level of maximum multifunctionality is similar for all countries, so we conclude that such levels are possible in all regions. Only Norway showed slightly lower maximum levels, pointing out lower potential due to distinctively lower forest productivity than the other study regions. While the other Fennoscandia countries, Finland, and Sweden, have high shares of productive forest land (~5.2 m³ ha⁻¹ year⁻¹, representing a 66%, and 56% of the total forest land respectively) (Blattert et al. 2023), in Norway the percentage is much lower 22.25% (Peltola et al., 2020; Rytter et al., 2016; SFA, 2022; SSB, 2022).

549 Strategies that resulted in a high diversity of forest management regimes, like the case of the German 550 Forestry strategy, are the closest to the potential maximum multifunctionality. This was achieved by 551 integrative management at the stand level (Continuous Cover Forestry and Adaption to climate change 552 types of management) (Sotirov and Arts, 2018) and by adopting a broad range of silvicultural techniques 553 across the territory that best adapt to the landscape conditions. However, those strategies that 554 concentrate only on a reduced number of objectives are prone not to foster a wide range of 555 management regimes and therefore will not achieve high levels of multifunctionality, the biodiversity 556 strategy in Norway is one example. Likewise, Helseth et al. (2022) already illustrated that policy 557 measures to increase biomass growth are not sufficient to safeguard multiple functions and services of 558 forest ecosystem. This is exemplified by Bioeconomy in Germany and Sweden, the Biodiversity in 559 Finland, and the National Forest strategy in Norway. It further means that the intensive timber 560 production, which is prevailing particularly in Fennoscandian countries, hampers the achievement of full 561 multifunctionality (Triviño et al., 2017), and it is especially evident in strategies that are more business 562 as usual (Forest Strategy in Sweden and Finland, and climate oriented in Germany and Norway-563 Bioeconomy).
Lastly, it is noteworthy to mention that in this study we investigated the potential long-term supply of ecosystem services over large regions/nations according to national policy strategies. While empirical studies on preferences and spatial-specific demands of recreation (and other ecosystem services) are necessary in decision-making, it goes beyond the scope of the policy strategies included in this study, and hence this study. Not only because of the large scale of the policies/analyses, but also because we do not know how the societal preferences and infrastructures, and eventually demand, will develop in the future.

571 5 Conclusions

572 The development of a common understanding and measure of forest multifunctionality helps to balance 573 the provision of different forest ecosystem services and offers better means for evaluating how far the 574 estimated multifunctionality of current policies is from the potential maximum level of 575 multifunctionality. Nevertheless, our work showed that different countries require different 576 combinations of management regimes to achieve maximum multifunctionality. Thus, in those countries 577 with the highest absolute levels of timber production, namely Sweden and Finland, the situation 578 contrasted with Germany and Norway. Specially, this higher presence of intensive management regimes 579 and homogenous landscape structure can affect the capacity of sectorial policies to increase or even 580 achieve their potential maximum multifunctionality. The effects of the Policy strategies on the potential 581 multifunctionality could be detected using multi-objective optimization. Our findings reveal that 582 strategies with a specific focus tended to reduce multifunctionality, however, these outcomes differed 583 among countries, as general forest productivity seems to improve maximum potential 584 multifunctionality.

Across the studied European countries, multi-objective management, not only at the stand scale but
also at the landscape scale, showed indeed the largest potential to achieve maximum multifunctionality.

587 This arises as management recommendation across the landscape, as we could see that next to

588 management regimes like continuous cover forestry, which provides multiple forest ecosystems, other

areas should be dedicated to production and others to conservation to maximize overall

- 590 multifunctionality. Specially, set-asides (conservation) should increase under climate change scenarios.
- 591 Finally, future policies must not forget to account for feedback loops, as conflicts and synergies among

592 forest ecosystems, are essential to improve efficiency when they are positively correlated and can pose

a major obstacle when trade-offs exist among them.

594 6 Acknowledgements

- 595 This work has been conducted in the frame of the MultiForest project. Project MultiForest is supported
- 596 under the umbrella of ERA-NET Cofund ForestValue by Academy of Finland, Business Finland, Federal
- 597 Ministry of Agriculture, Forestry, Environment & Water Management (Austria), Agency for Renewable
- 598 Resources (Germany), Research Council of Norway, Vinnova (2018-04982, Sweden). ForestValue has
- 599 received funding from the European Union's Horizon 2020 research and innovation program under grant
- agreement N° 773324. C.A.F. received additional support from the project "Proyecto Escalera
- 601 Excelencia Internacional" (CL-EI-2021-05) associated to the University of Valladolid iuFOR (CLU-2019-

602 01).

603 7 References

- Aggestam, F., Pülzl, H., 2018. Coordinating the Uncoordinated: The EU Forest Strategy. Forests 9, 125.
 https://doi.org/10.3390/f9030125
- Antón-Fernández, C., Astrup, R., 2022. SiTree: A framework to implement single-tree simulators. SoftwareX 18,
 100925. https://doi.org/10.1016/j.softx.2021.100925
- Benz, J.P., Chen, S., Dang, S., Dieter, M., Labelle, E.R., Liu, G., Hou, L., Mosandl, R.M., Pretzsch, H., Pukall, K., Richter,
 K., Ridder, R., Sun, S., Song, X., Wang, Y., Xian, H., Yan, L., Yuan, J., Zhang, S., Fischer, A., 2020.
 Multifunctionality of Forests: A White Paper on Challenges and Opportunities in China and Germany.
 Forests 11, 266. https://doi.org/10.3390/f11030266

- Blattert, C., Mönkkönen, M., Burgas, D., Di Fulvio, F., Toraño Caicoya, A., Vergarechea, M., Klein, J., Hartikainen, M.,
 Antón-Fernández, C., Astrup, R., Emmerich, M., Forsell, N., Lukkarinen, J., Lundström, J., Pitzén, S.,
 Poschenrieder, W., Primmer, E., Snäll, T., Eyvindson, K., 2023. Climate targets in European timber-producing
 countries conflict with goals on forest ecosystem services and biodiversity. Commun Earth Environ 4, 1–12.
 https://doi.org/10.1038/s43247-023-00771-z
- Blattert, C., Eyvindson, K., Hartikainen, M., Burgas, D., Potterf, M., Lukkarinen, J., Snäll, T., Toraño-Caicoya, A.,
 Mönkkönen, M., 2022. Sectoral policies cause incoherence in forest management and ecosystem service
 provisioning. For. Policy Econ. 136, 102689. https://doi.org/10.1016/j.forpol.2022.102689
- Blattert, C., Lemm, R., Thürig, E., Stadelmann, G., Brändli, U.-B., Temperli, C., 2020. Long-term impacts of increased
 timber harvests on ecosystem services and biodiversity: A scenario study based on national forest inventory
 data. Ecosyst. Serv. 45, 101150. https://doi.org/10.1016/j.ecoser.2020.101150
- Borrass, L., Kleinschmit, D., Winkel, G., 2017. The "German model" of integrative multifunctional forest management—Analysing the emergence and political evolution of a forest management concept. For.
 Policy Econ., Alternative Pathways to Sustainability? Comparing Forest Governance Models 77, 16–23. https://doi.org/10.1016/j.forpol.2016.06.028
- Bryan, B.A., 2013. Incentives, land use, and ecosystem services: Synthesizing complex linkages. Environ. Sci. Policy
 27, 124–134. https://doi.org/10.1016/j.envsci.2012.12.010
- 629 Chen, S., Shahi, C., Chen, H.Y.H., 2016. Economic and ecological trade-off analysis of forest ecosystems: options for
 630 boreal forests. Environ. Rev. 24, 348–361. https://doi.org/10.1139/er-2015-0090
- Danneyrolles, V., Dupuis, S., Fortin, G., Leroyer, M., de Römer, A., Terrail, R., Vellend, M., Boucher, Y., Laflamme, J.,
 Bergeron, Y., Arseneault, D., 2019. Stronger influence of anthropogenic disturbance than climate change
 on century-scale compositional changes in northern forests. Nat. Commun. 10, 1265.
 https://doi.org/10.1038/s41467-019-09265-z
- b'Orangeville, L., Houle, D., Duchesne, L., Phillips, R.P., Bergeron, Y., Kneeshaw, D., 2018. Beneficial effects of climate
 warming on boreal tree growth may be transitory. Nat. Commun. 9, 3213. https://doi.org/10.1038/s41467018-05705-4
- Duncker, P.S., Raulund-Rasmussen, K., Gundersen, P., Katzensteiner, K., De Jong, J., Ravn, H.P., Smith, M.,
 Eckmüllner, O., Spiecker, H., 2012. How Forest Management affects Ecosystem Services, including Timber
 Production and Economic Return: Synergies and Trade-Offs. Ecol. Soc. 17.
- EC, 2021a. Communication from the Commission to the European Parliament, the Council, the Economic and Social
 Committee and the Committee of the Regions. EU Biodiversity Strategy for 2030. Bringing nature back into
 our lives, 380 final. COM(2020), Brussels.
- EC, 2021b. Communication from the Commission to the European Parliament, the Council, the European Economic
 and Social Committee and the Committee of Regions New EU Forest Strategy for 2030. Common Policy
 Cent. 2021/572.
- EC, 2018. Communication from the Commission to the European Parliament, the Council, the Economic and Social
 Committee and the Committee of the Regions. A sustainable Bioeconomy for Europe: Strengthening the
 connection between economy, society and the environment., 673 final. COM(2018), Brussels.
- Eggers, J., Lindhagen, A., Lind, T., Lämås, T., Öhman, K., 2018. Balancing landscape-level forest management between
 recreation and wood production. Urban For. Urban Green., Cemeteries as green urban spaces 33, 1–11.
 https://doi.org/10.1016/j.ufug.2018.04.016
- Eggers, J., Melin, Y., Lundström, J., Bergström, D., Öhman, K., 2020. Management Strategies for Wood Fuel
 Harvesting—Trade-Offs with Biodiversity and Forest Ecosystem Services. Sustainability 12, 4089.
 https://doi.org/10.3390/su12104089

- Elomina, J., Pülzl, H., 2021. How are forests framed? An analysis of EU forest policy. For. Policy Econ. 127, 102448.
 https://doi.org/10.1016/j.forpol.2021.102448
- Eyvindson, K., 2012. Balancing equity and efficiency of goal programming for use in forest management planning.
 Can. J. For. Res. 42, 1919–1925. https://doi.org/10.1139/x2012-135
- Eyvindson, K., Duflot, R., Triviño, M., Blattert, C., Potterf, M., Mönkkönen, M., 2021. High boreal forest
 multifunctionality requires continuous cover forestry as a dominant management. Land Use Policy 100,
 104918. https://doi.org/10.1016/j.landusepol.2020.104918
- Felipe-Lucia, M.R., Soliveres, S., Penone, C., Manning, P., van der Plas, F., Boch, S., Prati, D., Ammer, C., Schall, P.,
 Gossner, M.M., Bauhus, J., Buscot, F., Blaser, S., Blüthgen, N., de Frutos, A., Ehbrecht, M., Frank, K.,
 Goldmann, K., Hänsel, F., Jung, K., Kahl, T., Nauss, T., Oelmann, Y., Pena, R., Polle, A., Renner, S., Schloter,
 M., Schöning, I., Schrumpf, M., Schulze, E.-D., Solly, E., Sorkau, E., Stempfhuber, B., Tschapka, M., Weisser,
 W.W., Wubet, T., Fischer, M., Allan, E., 2018. Multiple forest attributes underpin the supply of multiple
 ecosystem services. Nat. Commun. 9, 4839. https://doi.org/10.1038/s41467-018-07082-4
- Felton, A., Belyazid, S., Eggers, J., Nordström, E.-M., Öhman, K., 2023. Climate change adaptation and mitigation
 strategies for production forests: Trade-offs, synergies, and uncertainties in biodiversity and ecosystem
 services delivery in Northern Europe. Ambio. https://doi.org/10.1007/s13280-023-01909-1
- FS, 2019. The National Forest Strategy 2025 an updated version Government Resolution of 21 February 2019,
 Publications of Ministry of Agriculture and Forestry in Finland 2019:7. Ministry of Agriculture and Forestry.
- Grassi, G. et al. The key role of forests in meeting climate targets requires science for credible mitigation. Nat. Clim.
 Chang. 7, 220–226 (2017).
- Gusti, M., Di Fulvio, F., Biber, P., Korosuo, A., Forsell, N., 2020. The Effect of Alternative Forest Management Models
 on the Forest Harvest and Emissions as Compared to the Forest Reference Level. Forests 11, 794.
 https://doi.org/10.3390/f11080794
- Gutsch, M., Lasch-Born, P., Kollas, C., Suckow, F., Reyer, C.P.O., 2018. Balancing trade-offs between ecosystem
 services in Germany's forests under climate change. Environ. Res. Lett. 13, 045012.
 https://doi.org/10.1088/1748-9326/aab4e5
- Haines-Young, R., Potschin-Young, M., 2018. Revision of the Common International Classification for Ecosystem
 Services (CICES V5.1): A Policy Brief. One Ecosyst. 3, e27108. https://doi.org/10.3897/oneeco.3.e27108
- Hanewinkel, M., Cullmann, D.A., Schelhaas, M.-J., Nabuurs, G.-J., Zimmermann, N.E., 2013. Climate change may
 cause severe loss in the economic value of European forest land. Nat. Clim. Change 3, 203.
 https://doi.org/10.1038/nclimate1687
- Helseth, E.V., Vedeld, P., Framstad, E., Gómez-Baggethun, E., 2022. Forest ecosystem services in Norway: Trends,
 condition, and drivers of change (1950–2020). Ecosyst. Serv. 58, 101491.
 https://doi.org/10.1016/j.ecoser.2022.101491
- Hölting, L., Beckmann, M., Volk, M., Cord, A.F., 2019. Multifunctionality assessments More than assessing multiple
 ecosystem functions and services? A quantitative literature review. Ecol. Indic. 103, 226–235.
 https://doi.org/10.1016/j.ecolind.2019.04.009
- Huuskonen, S., Domisch, T., Finér, L., Hantula, J., Hynynen, J., Matala, J., Miina, J., Neuvonen, S., Nevalainen, S.,
 Niemistö, P., Nikula, A., Piri, T., Siitonen, J., Smolander, A., Tonteri, T., Uotila, K., Viiri, H., 2021. What is the
 potential for replacing monocultures with mixed-species stands to enhance ecosystem services in boreal
 forests in Fennoscandia? For. Ecol. Manag. 479, 118558. https://doi.org/10.1016/j.foreco.2020.118558
- Jacobsen, J.B., Vedel, S.E., Thorsen, B.J., 2013. Assessing costs of multifunctional NATURA 2000 management
 restrictions in continuous cover beech forest management. Forestry 86, 575–582.
 https://doi.org/10.1093/forestry/cpt023

- Jandl, R., Ledermann, T., Kindermann, G., Freudenschuss, A., Gschwantner, T., Weiss, P., 2018. Strategies for Climate Smart Forest Management in Austria. Forests 9, 592. https://doi.org/10.3390/f9100592
- Jonsson, M., Bengtsson, J., Moen, J., Gamfeldt, L., Snäll, T., 2020. Stand age and climate influence forest ecosystem
 service delivery and multifunctionality. Environ. Res. Lett. 15, 0940a8. https://doi.org/10.1088/1748 9326/abaf1c
- 705
 Keeble,
 B.R.,
 1988.
 The
 Brundtland
 report:
 'Our
 common
 future.'
 Med.
 War
 4,
 17–25.

 706
 https://doi.org/10.1080/07488008808408783
 https://doi.org/10.1080/07488008808408783
- Kovac, M., Gasparini, P., Notarangelo, M., Rizzo, M., Cañellas, I., Fernández-de-Uña, L., Alberdi, I., 2020. Towards a
 set of national forest inventory indicators to be used for assessing the conservation status of the habitats
 directive forest habitat types. J. Nat. Conserv. 53, 125747. https://doi.org/10.1016/j.jnc.2019.125747
- Laterra, P., Barral, P., Carmona, A., Nahuelhual, L., 2016. Focusing Conservation Efforts on Ecosystem Service Supply
 May Increase Vulnerability of Socio-Ecological Systems. PLOS ONE 11, e0155019.
 https://doi.org/10.1371/journal.pone.0155019
- Mazziotta, A., Lundström, J., Forsell, N., Moor, H., Eggers, J., Subramanian, N., Aquilué, N., Morán-Ordóñez, A.,
 Brotons, L., Snäll, T., 2022. More future synergies and less trade-offs between forest ecosystem services
 with natural climate solutions instead of bioeconomy solutions. Glob. Change Biol. 28, 6333–6348.
 https://doi.org/10.1111/gcb.16364
- M.E.A., 2005. Millenium Ecosystem Assessment- Ecosystems and Human Well-Being: Our Human Planet: Summary
 for Decision Makers. Island Press.
- Mendoza, G.A., Prabhu, R., 2000. Development of a Methodology for Selecting Criteria and Indicators of Sustainable
 Forest Management: A Case Study on Participatory Assessment. Environ. Manage. 26, 659–673.
 https://doi.org/10.1007/s002670010123
- Morán-Ordóñez, A., Ameztegui, A., De Cáceres, M., de-Miguel, S., Lefèvre, F., Brotons, L., Coll, L., 2020. Future trade offs and synergies among ecosystem services in Mediterranean forests under global change scenarios.
 Ecosyst. Serv. 45, 101174. https://doi.org/10.1016/j.ecoser.2020.101174
- Mouchet, M.A., Lamarque, P., Martín-López, B., Crouzat, E., Gos, P., Byczek, C., Lavorel, S., 2014. An interdisciplinary
 methodological guide for quantifying associations between ecosystem services. Glob. Environ. Change 28,
 298–308. https://doi.org/10.1016/j.gloenvcha.2014.07.012
- 728NDC,2023. NationallyDeterminedContributionsRegistry|UNFCCC[WWWDocument].URL729https://unfccc.int/NDCREG (accessed 3.14.23).
- 730 Nolet, P., Kneeshaw, D., Messier, C., Béland, M., 2018. Comparing the effects of even- and uneven-aged silviculture 731 on ecological diversity and processes: А review. Ecol. Evol. 8, 1217-1226. 732 https://doi.org/10.1002/ece3.3737
- Pasari, J.R., Levi, T., Zavaleta, E.S., Tilman, D., 2013. Several scales of biodiversity affect ecosystem multifunctionality.
 Proc. Natl. Acad. Sci. 110, 10219–10222. https://doi.org/10.1073/pnas.1220333110
- Peltola, A., Räty, M., Sauvula-Seppälä, T., Torvelainen, J., Uotila, E., Vaahtera, E., Ylitalo, E., 2020. Suomen
 metsätilastot : Finnish forest statistics 2020. Luonnonvarakeskus (Luke).
- Peura, M., Silveyra Gonzalez, R., Müller, J., Heurich, M., Vierling, L.A., Mönkkönen, M., Bässler, C., 2016. Mapping a
 'cryptic kingdom': Performance of lidar derived environmental variables in modelling the occurrence of
 forest fungi. Remote Sens. Environ. 186, 428–438. https://doi.org/10.1016/j.rse.2016.09.003
- Peura, M., Burgas, D., Eyvindson, K., Repo, A., Mönkkönen, M., 2018. Continuous cover forestry is a cost-efficient tool to increase multifunctionality of boreal production forests in Fennoscandia. Biological Conservation 217, 104–112. https://doi.org/10.1016/j.biocon.2017.10.018

- Pohjanmies, T., Eyvindson, K., Triviño, M., Bengtsson, J., Mönkkönen, M., 2021. Forest multifunctionality is not
 resilient to intensive forestry. Eur. J. For. Res. 140, 537–549. https://doi.org/10.1007/s10342-020-01348-7
- Pohjanmies, T., Triviño, M., Le Tortorec, E., Mazziotta, A., Snäll, T., Mönkkönen, M., 2017. Impacts of forestry on
 boreal forests: An ecosystem services perspective. Ambio 46, 743–755. https://doi.org/10.1007/s13280017-0919-5
- Pretzsch, H., Biber, P., Ďurský, J., 2002. The single tree-based stand simulator SILVA: construction, application and
 evaluation. For. Ecol. Manag., National and Regional Climate Change Impact Assessments in the Forestry
 Sector 162, 3–21. https://doi.org/10.1016/S0378-1127(02)00047-6
- 751 Primmer, E., Varumo, L., Krause, T., Orsi, F., Geneletti, D., Brogaard, S., Aukes, E., Ciolli, M., Grossmann, C., 752 Hernández-Morcillo, M., Kister, J., Kluvánková, T., Loft, L., Maier, C., Meyer, C., Schleyer, C., Spacek, M., 753 Mann, C., 2021. Mapping Europe's institutional landscape for forest ecosystem service provision, 754 innovations and governance. Ecosystem Services 47, 101225. 755 https://doi.org/10.1016/j.ecoser.2020.101225
- Pülzl, H., Hogl, K., 2013. European forest governance: issues at stake and the way forward, What science can tell us.
 European Forest Inst, Joensuu.
- Pülzl, H., Wydra, D., Hogl, K., 2018. Piecemeal Integration: Explaining and Understanding 60 Years of European Union
 Forest Policy-Making. Forests 9, 719. https://doi.org/10.3390/f9110719
- Rasinmäki, J., Mäkinen, A., Kalliovirta, J., 2009. SIMO: An adaptable simulation framework for multiscale forest
 resource data. Comput. Electron. Agric. 66, 76–84. https://doi.org/10.1016/j.compag.2008.12.007
- Reyer, C., Lasch-Born, P., Suckow, F., Gutsch, M., Murawski, A., Pilz, T., 2014. Projections of regional changes in forest
 net primary productivity for different tree species in Europe driven by climate change and carbon dioxide.
 Ann. For. Sci. 71, 211–225. https://doi.org/10.1007/s13595-013-0306-8
- Rytter, L., Ingerslev, M., Kilpeläinen, A., Torssonen, P., Lazdina, D., Löf, M., Madsen, P., Muiste, P., Stener, L.-G., 2016.
 Increased forest biomass production in the Nordic and Baltic countries a review on current and future
 opportunities. Silva Fenn. 50. https://doi.org/10.14214/sf.1660
- Schwaiger, F., Poschenrieder, W., Biber, P., Pretzsch, H., 2018. Species Mixing Regulation with Respect to Forest
 Ecosystem Service Provision. Forests 9, 632. https://doi.org/10.3390/f9100632
- 770 SFA, 2022. Statistics [WWW Document]. URL https://www.skogsstyrelsen.se/en/statistics/ (accessed 8.10.22).
- Simons, N.K., Felipe-Lucia, M.R., Schall, P., Ammer, C., Bauhus, J., Blüthgen, N., Boch, S., Buscot, F., Fischer, M.,
 Goldmann, K., Gossner, M.M., Hänsel, F., Jung, K., Manning, P., Nauss, T., Oelmann, Y., Pena, R., Polle, A.,
 Renner, S.C., Schloter, M., Schöning, I., Schulze, E.-D., Solly, E.F., Sorkau, E., Stempfhuber, B., Wubet, T.,
 Müller, J., Seibold, S., Weisser, W.W., 2021. National Forest Inventories capture the multifunctionality of
 managed forests in Germany. For. Ecosyst. 8, 5. https://doi.org/10.1186/s40663-021-00280-5
- Sotirov, M., Arts, B., 2018. Integrated Forest Governance in Europe: An introduction to the special issue on forest
 policy integration and integrated forest management. Land Use Policy 79, 960–967.
 https://doi.org/10.1016/j.landusepol.2018.03.042
- SSB, 2022. The National Forest Inventory [WWW Document]. SSB. URL https://www.ssb.no/en/jord-skog-jakt-og-fiskeri/skogbruk/statistikk/landsskogtakseringen (accessed 8.10.22).
- Teben'kova, D.N., Lukina, N.V., Chumachenko, S.I., Danilova, M.A., Kuznetsova, A.I., Gornov, A.V., Shevchenko, N.E.,
 Kataev, A.D., Gagarin, Yu.N., 2020. Multifunctionality and Biodiversity of Forest Ecosystems. Contemp.
 Probl. Ecol. 13, 709–719. https://doi.org/10.1134/S1995425520070136.
- 784 Torano, A.C., Poschenrieder, W., Blattert, C., Eyvindson, K., Hartikainen, M., Burgas, D., Mönkkönen, M., Uhl, E., 785 Vergarechea, M., Pretzsch, H., 2023. Sectoral policies as drivers of forest management and ecosystems 786 106673. services: А case study in Bavaria, Germany. Land Use Policy 130, 787 https://doi.org/10.1016/j.landusepol.2023.106673

- Triviño, M., Morán-Ordoñez, A., Eyvindson, K., Blattert, C., Burgas, D., Repo, A., Pohjanmies, T., Brotons, L., Snäll, T.,
 Mönkkönen, M., 2023. Future supply of boreal forest ecosystem services is driven by management rather
 than by climate change. Glob. Change Biol. 29, 1484–1500. https://doi.org/10.1111/gcb.16566
- Triviño, M., Pohjanmies, T., Mazziotta, A., Juutinen, A., Podkopaev, D., Le Tortorec, E., Mönkkönen, M., 2017.
 Optimizing management to enhance multifunctionality in a boreal forest landscape. J. Appl. Ecol. 54, 61–
 70. https://doi.org/10.1111/1365-2664.12790
- Tudoran, G.-M., Cicşa, A., Cicşa (Boroeanu), M., Dobre, A.-C., 2022. Management of Recreational Forests in the
 Romanian Carpathians. Forests 13, 1369. https://doi.org/10.3390/f13091369
- Turkelboom, F., Leone, M., Jacobs, S., Kelemen, E., García-Llorente, M., Baró, F., Termansen, M., Barton, D.N., Berry,
 P., Stange, E., Thoonen, M., Kalóczkai, Á., Vadineanu, A., Castro, A.J., Czúcz, B., Röckmann, C., Wurbs, D.,
 Odee, D., Preda, E., Gómez-Baggethun, E., Rusch, G.M., Pastur, G.M., Palomo, I., Dick, J., Casaer, J., van Dijk,
 J., Priess, J.A., Langemeyer, J., Mustajoki, J., Kopperoinen, L., Baptist, M.J., Peri, P.L., Mukhopadhyay, R.,
 Aszalós, R., Roy, S.B., Luque, S., Rusch, V., 2018. When we cannot have it all: Ecosystem services trade-offs
 in the context of spatial planning. Ecosyst. Serv. 29, 566–578. https://doi.org/10.1016/j.ecoser.2017.10.011
- Urquhart, J., Courtney, P., Slee, B., 2012. Private woodland owners' perspectives on multifunctionality in English
 woodlands. J. Rural Stud. 28, 95–106. https://doi.org/10.1016/j.jrurstud.2011.08.006
- Vanderwel, M.C., Purves, D.W., 2014. How do disturbances and environmental heterogeneity affect the pace of
 forest distribution shifts under climate change? Ecography 37, 10–20. https://doi.org/10.1111/j.1600 0587.2013.00345.x
- Vergarechea, M., Astrup, R., Fischer, C., Øistad, K., Blattert, C., Hartikainen, M., Eyvindson, K., Di Fulvio, F., Forsell,
 N., Burgas, D., Toraño-Caicoya, A., Mönkkönen, M., Antón-Fernández, C., 2023. Future wood demands and
 ecosystem services trade-offs: A policy analysis in Norway. For. Policy Econ. 147, 102899.
 https://doi.org/10.1016/j.forpol.2022.102899
- Verkerk, P.J., Costanza, R., Hetemäki, L., Kubiszewski, I., Leskinen, P., Nabuurs, G.J., Potočnik, J., Palahí, M., 2020.
 Climate-Smart Forestry: the missing link. For. Policy Econ. 115, 102164.
 https://doi.org/10.1016/j.forpol.2020.102164
- Vincent, J.R., Binkley, C.S., 1993. Efficient multiple-use forestry may require land-use specialization. Land Econ. 69.
- Vizzarri, M., Pilli, R., Korosuo, A., Frate, L. & Grassi, G. in Climate-Smart Forestry in Mountain Regions (eds Tognetti,
 R., Smith, M. & Panzacchi, P.) 507–520 (Springer International Publishing, 2022).
- Wikström, P., Edenius, L., Elfving, B., Eriksson, L.O., Lämås, T., Sonesson, J., Öhman, K., Wallerman, J., Waller, C.,
 Klintebäck, F., 2011. The Heureka forestry decision support system : an overview [WWW Document]. URL
 http://mcfns.com/index.php/Journal/article/view/MCFNS.3-87 (accessed 8.10.22).
- Winkel, G., Lovrić, M., Muys, B., Katila, P., Lundhede, T., Pecurul, M., Pettenella, D., Pipart, N., Plieninger, T.,
 Prokofieva, I., Parra, C., Pülzl, H., Roitsch, D., Roux, J.-L., Thorsen, B.J., Tyrväinen, L., Torralba, M., Vacik, H.,
 Weiss, G., Wunder, S., 2022. Governing Europe's forests for multiple ecosystem services: Opportunities,
 challenges, and policy options. For. Policy Econ. 145, 102849. https://doi.org/10.1016/j.forpol.2022.102849

Wolfslehner, B., Pülzl, H., Kleinschmit, D., Aggestam, F., Winkel, G., Candel, J., Eckerberg, K., Feindt, P., McDermott, C., Secco, L., Sotirov, M., Lackner, M., Roux, J.-L., 2020. European forest governance post-2020. European Forest Institute.

828 Supplementary material

- 829 Supplementary 1: Forest data, management, and simulations
- 830 Finland SIMO
- 831 Germany (Bavaria) SILVA
- 832 Norway SiTree
- 833 Sweden Heureka
- 834 Supplementary 2: Forest Ecosystem Services and Indicators
- 835 Supplementary 3: National policy scenarios
- 836 Supplementary 4: Climate scenarios
- 837 Supplementary 5: Outcomes of Optimal National Management Strategies
- 838 Supplementary 6: Multi-objective optimization
- 839 Supplementary 7: Complete timely development of each FESB class for each climate, policy
- 840 scenario and country
- 841 Supplementary 8: Radar plot comparing each policy scenario and Max MF scenario for no CC
- 842 Supplementary 9: Synergies and trade-offs among the six FESB selected for the potential
- 843 maximum MF scenario and the no CC climate scenario

1. Forest data management and simulations

845 **1.1.** Finland

In Finland, the data used provides detailed forest stand information and represents a sub-sample of the public data from the Finnish Forest center from 2016 (<u>www.metsaan.fi</u>). In addition, we used data form the Multi-source National Forest Inventory from 2015 to complement the information, since this Multisource provides information on the total forest land in raster format (<u>http://kartta.luke.fi/index-en.html</u>) (Mäkisara et al. 2019). Then, following the design of the 11th Finnish National Forest Inventory (FNFI), both data sources were sampled along the regional and temporal systematic clusters, defining four regions:

• Lapland and North Lapland (the design from Lapland was extended to North Lapland)

- Southern North Finland
- Central Finland
- Southernmost Finland.

856 In this case, forest simulations were carried out with the open source forest simulator SIMO (Rasinmäki 857 et al. 2009). SIMO simulates individual tree growth, mortality and regeneration for even-aged (Hynynen 858 et al. 2002) and uneven-aged boreal forests (Pukkala et al. 2013). Climate variables driving stand growth 859 and soil dynamics (mean and amplitude of temperature, CO₂ concentration, precipitation) were based on 860 Lehtonen et al. (2016), and the climate data of the Canadian Earth system model CanESM (von Salzen et 861 al. 2013). Based on the models of Matala et al. (2006), the impacts of climate on tree growth were 862 introduced into the calculation of volume growth and further allocated between diameter and height 863 growth. Simulations for Finland were then conducted with high performance computational resources 864 provided by CSC – IT Center for Science LTD (cPouta, https://research.csc.fi).

865 Using SIMO, we simulated forest Management in five-year periods over 100 years for each NFI plot. Table 866 S1 describes the basics concepts of the six management classes defined, which are based on the work of 867 Eyvindson et al. (2018). Therefore, the maximum number of management regimes simulated by stand 868 was 29 depending on the initial stand characteristics (i.e., dominant height, basal area, site type, and age). 869 24 regimes were modifications of even-aged rotation forestry, which is the business-as-usual regime 870 (BAU). The implementation of BAU followed the "best practices guide" for managing forests in Finland 871 (Äijälä et al. 2014). Four regimes represented a continuous cover forestry management, and one regime 872 represents setting aside, where no management takes place. (Table S2).

874 Table S1: Basic concepts of the six regime classes simulated in Finland.

Management class	Description
Business-as-usual	Even-aged rotation forestry, according to Finnish recommendations (Äijälä et al. 2014);
(BAU)	rotation length between 70-90 years; final felling is determined by site type, dominant
	stand height, and age; 5 retention trees ha ⁻¹ ; replanting after final felling; 1-3 thinnings
	during rotation
Intensified BAU (I-	Modifications of BAU, regimes with shortened rotation length (-5 to -20 year); regimes
BAU)	with shortened rotation and additional fertilization (300kg N ha ⁻¹) at basal area (BA)
	threshold of 14-20 m ² ha ⁻¹ (Kukkola and Saramäki 1983, Pukkala 2017)
Extensified BAU (E-	Modifications of BAU, with either postponed final fellings (5, 15, 30 years) or with
BAU)	retention trees left after final felling (30 trees ha ⁻¹ or 30 m ³ ha ⁻¹)
Continuous Cover	Large trees are periodically removed (thinning from above) down to BA threshold (16
Forestry (CCF)	- 22 m ² ha ⁻¹ depending on site fertility); four different predefined BA thresholds; natural
	regeneration of stands
Adaption to climate	Modification of BAU, aims to increase resilience against climate change on the most
change (ACC)	prone medium fertile sites (Herb rich heath, Mesic heath) in Southern and Central
	Finland; replanted with broadleaves trees (Betula pendula) after final felling
Set aside (SA)	No management activities, only tree growth, mortality and natural regeneration are
	simulated

875

876 Table S2: Summary table of the simulated management regimes for Finland and their allocation to the six management classes.

Management class	Management regime					
	Abbreviation	Description				
Set aside (SA)	SA	No management, only growth and mortality				
Business-as-usual (BAU)	BAU	Rotation forestry, no thinnigs prior clearfelling				
	BAU w thin	Rotation forestry, with thinnings prior clearfelling				
	BAU w/o thin	Rotation forestry, no thinnings prior or after clearfelling				
Extensified BAU (E-BAU)	BAU w GTR	= BAU , with 30 retention trees or $30m^2$ per ha left				
	BAU w thin GTR	= BAU w thin, with 30 retention trees or 30m ² per ha left				
	BAU + 5	= BAU, with 5 year extended rotation age				
	BAU + 15	= BAU, with 15 years extended rotation age				
	BAU +30	= BAU, with 30 years extended rotation age				
	BAU w thin +5	= BAU w thin, with 5 year extended rotation age				
	BAU w thin +15	= BAU w thin, with 15 years extended rotation age				
	BAU w thin +30	= BAU w thin, with 30 years extended rotation age				
Intensified BAU (I-BAU)	BAU -5,	= BAU, with 5 years shorter rotation age				
	BAU w thin -5	= BAU w thin, with 5 years shorter rotation age				
	BAU w/o thin -20	= BAU w/o thin, with 20 years shorter rotation age				
	BAU F	= BAU, with fertilization				
	BAU w thin F	= BAU w thin, with fertilization				
	BAU -5 F	= BAU -5, with fertilization				
	BAU w thin -5 F	= BAU w thin -5, with fertilization				
	BAU w/o thin -20 F	= BAU w/o thin -20, with fertilization				
Adaptation to climate	BAU w thin B	= BAU w thin, with increased broadleave planting				
Change (ACC)	BAU w thin GTR B	= BAU w thin GTR, with increased broadleave planting				
	BAU w thin +5 B	= BAU w thin +5, with increased broadleave planting				
	BAU w thin +15 B	= BAU w thin +15, with increased broadleave planting				
	BAU w thin +30 B	= BAU w thin +30, with increased broadleave planting				
Continuous Cover	CCF 1	Thinning from above, basal area threshold -3 m ² /ha				

Forestry (CCF)	CCF 2	Thinning from above, basal area threshold +/-0 m ² /ha
	CCF 3	Thinning from above, basal area threshold + 3 m ² /ha
	CCF 4	Thinning from above, basal area threshold + 6 m ² /ha

877

1.2. Germany

In Germany we used the latest NFI (2012) to define the initial forest state for the simulation. In this case
we had a total of 7456 NFI plots throughout Bavaria. A permanent four-by-four-kilometer sampling grid
(locally even denser) is applied over the entire country and each grid point is represented by a cluster of
four inventory plots (BMLE 2016). Data from the NFI are available upon request.

883 By using the forest simulator SILVA (Pretzsch et al. 2002, Pretzsch 2009) we simulated forest management 884 and dynamics in Germany. SILVA is a single-tree-based model that is distance-dependent (tree positions 885 matter) and age-independent. Under a broad range of silvicultural concepts, SILVA simulates the 886 development of even-aged or uneven-aged mixed and monospecific forests. The simulator estimates 887 potential height growth based on site quality, which is estimated from soil moisture and nutrient stage, 888 length of the vegetation period and by a set of further climatic variables. Temperature, precipitation, 889 temperature amplitude, and the atmospheric concentrations of CO_2 and NO_x are the climatic driving 890 forces. Except the latter two, these climate variables were computed from HADGEM2 - ES GCM model 891 (Jones et al. 2011), and were retrieved from Inter-Sectoral Impact Model Intercomparison Project 892 (https://esg.pik-potsdam.de/search/isimip/).

893 In total, we simulated 15 management regimes in five-year periods over 100 years that can be grouped 894 into six management classes. These classes represent the most relevant silvicultural practices (Table S3): 895 i) the business-as-usual classes (BAU), ii) intensified BAU, and iii) extensified BAU generally apply 896 traditional silvicultural practices with thinning from below and final clearfelling. These three classes, 897 however, differ in their degree of forest productivity stimulation. iv) The continuous cover forestry (CCF) 898 regimes commonly aim at creating and maintaining a stable size class distribution with emphasis on steady 899 wood provision. Regimes within this lass have thus been tailored to suit intervention frequency and 900 intensity as typical for small private forest managers, who consider forestry rather as an additional source 901 of income. v) To account for the state forestry's aim of establishing climate resilient forests, a further 902 regime was simulated that aims at continuous cover with high structure and species diversity (adaptation 903 to climate change). vi) The class of set aside (SA) strictly inhibits any intervention.

Table S3: Summary table of the simulated management regimes for Germany and their allocation to the six management classes
 (S = stands dominated by spruce, B = stands dominated by beech, and P = stands dominated by pine).

Management classes	Management focus	Abbreviation	Harvesting top height [m]		g eight	Description	
			S	В	Ρ		
		BAU_0				Standard BAU	
Business-as-	Wood production	BAU_0_p1	20	20	30	Initially mature stands not harvested	
usual (BAU)	(BAU) clearfelling BAU_0_p2		50	Initially mature stands not harvested before year 10			
Extensified BAU (E-BAU)	Wood production with harvest delay	Extensified BAU	33	33	33	Lower intensity, later harvest	
		BAU_RR				Short rotation	
Intensified	Intensification of	BAU_RR_p1	25	30	25	Initially mature stands not harvested before year 5	
BAU (I-BAU)	AU (I-BAU) wood production BAU_RR_p2					Initially mature stands not harvested before year 10	
		BAU_FS	33	30	30	Promote foreign species	
		CCF_P1	38	33	33	Standard CCF	
		CCF_P2	38	33	33	Buffer temporal variation of supply	
Continues	Regular harvest	CCF_P3				Thereby keep straighter and simpler, harvest coniferous stand	
Forestry (CCF)	mixture	CCF_P3_p1	12	12	12	12	Initially mature stands not harvested before year 5
		CCF_P3_p2				Initially mature stands not harvested before year 10	
Adaptation to Climate Change (ACC)	Multifunctionality	Adaptation to Climate Change	32	25	28	Promote diversity, stability, continuity, converts to broadleaved dominated stands	
Set aside (SA)	Set aside	SA	-	-	-	No thinning, no harvest	

906

907 **1.3.Norway**

In Norway, we used the current Norwegian national forest inventory (NFI), carried out during 2015–2019,
as the starting point of our 100 years simulations. That NFI is based on a five-year cycle, so each plot is
resampled every 5th year with 1/5 of all NFI plots visited annually. These NFI plots are 250 m2 in size and
were established at each intersection of a 3 × 3 km (easting x northing) grid in the lowlands, a 3 × 9 km
grid in the mountains excluding Finnmark, and a 9 × 9 km grid in Finnmark. In total 9371 plots were
selected over whole Norway and divides Norway into 4 strata:

- Lowland (below coniferous limit) except Finmark (94%)
- 915 Mountain areas (above conif. Limit) except Finnmark (3.75)
- 916 Lowland in Finnmark (1.6%)
- 917 Mountain areas in Finnmark (0.4%)

For a more detailed description of the data sampling and design see (Breidenbach et al. 2020) or see
 https://www.ssb.no/en/jord-skog-jakt-og-fiskeri/skogbruk/statistikk/landsskogtakseringen.

920 Forest dynamics and management for Norway have been simulated using the open source simulator 921 SiTree (Antón-Fernández and Astrup 2022), with imputation models (1 nearest neighbor) to estimate 922 individual tree growth, mortality, and ingrowth. The imputation models used here were fitted to the 923 Norwegian NFI. In this case, we used the forest inventory data from the last five-year cycles (2015 -2019), 924 as input data in the SiTree platform. The effect of climate change was included by modifying the site index 925 of the plots using empirical Norwegian climate data (Antón-Fernández et al. 2016). The climatic variables 926 needed to run the climate-sensitive site index functions were obtained from the Norwegian 927 Meteorological Institute (MET). The climatic data for the RCP 4.5 scenario were originated from a 928 combination of ten regional climate model simulations from the EURO-CORDEX archive (Wong et al. 929 2016), which were downscaled to a 1×1 km grid and bias corrected.

930 Then, for each NFI plot, forest management was simulated in five-year periods over 100 years. In this case, 931 depending on the initial stand characteristics, the total number of management regimes simulated by 932 stand was up to 99. These regimes, however, can be allocated into the six common defined regimes classes 933 (Table S4), of which four classes allow for a shift in the timing of the initial harvests in plots that were 934 already in the mature age (to avoid a harvest peak in the first period). The shift allowed the already mature 935 stands to be harvested at any time during the simulation for the regime class business-as-usual (BAU), as 936 well as for the extensified (E-BAU) and intensified (I-BAU) subcategories of the class. For continuous cover 937 forestry (CCF) the displacement was performed along 3 periods, since in CCF harvest activities are 938 simulated every 15 years.

Management class	Management regime						
	Abbreviation	Description					
Set aside (SA)	SA	Protection forest					
	BAU + 5						
	BAU + 10	Even-aged management (thinning clearfelling					
Business-as-usual (BAU)	BAU + 15	nlanting)					
		planting)					
	BAU + 90						
	E-BAU + 5						
	E-BAU + 10	Extensive even-aged management - longer rotation age					
Extensified BAU (E-BAU)	E-BAU + 15	(rotation increase to 140% of rotation age)					
		(iotation mercase to 140% of rotation age)					
	E-BAU + 90						

939 Table S4: Summary table of the simulated management regimes for Norway and their allocation to the six management classes.

Intensified RALL (L.RALL)	I-BAU + 5 I-BAU + 10 I-BAU + 15 I-BAU + 90	Intensive even-aged management (planting, higher density, fertilization, thinnings, clearfelling)
	I-short-BAU + 5 I-short-BAU + 10 I-short-BAU + 15 I-short-BAU + 90	Intensive even-aged management -shorter rotation age (rotation decrease to 80% of rotation age)
Continues Cover Forestry (CCF)	CCF + 5 CCF + 10 CCF + 15	Continuous cover forestry with harvest every 15 years (take out the 15-year growth)
Adaptation to climate Change (ACC)	ACC + 5 ACC + 10 ACC + 15 ACC + 90	Multispecies even-aged management (regeneration with a mixture of species of spruce / pine / birch)

940

941 **1.4.Sweden**

942 In Sweden, data from the Swedish NFI (2008-2012) was used to define the initial state of the forest. The 943 SNFI is distributed over the country in a systematic cluster design comprising of squared tracts. In this 944 case, every fifth year, two thirds of the tracts are revisited, which conform the permanent inventory. In 945 addition, one third of these tracts are temporary and only visited once. Circular plots with a radius 946 between 7 and 10 meters are placed alongside the borders of the tracts, whose lengths range between 947 300 and 800 meters. Plot and tract sizes differ depending on where in the country it is located and if it is 948 a temporary or permanent plot (Fridman et al. 2014). In total 29 892 plots were used, representing the 949 productive forest area of Sweden. Forestry is only allowed on productive forest land in Sweden, i.e., forest 950 land with a potential yield capacity of 1 m³ha⁻¹year⁻¹.

951 In Sweden, we used the Heureka system to perform the forest projections for the management regimes 952 (Wikström et al. 2011). Based on empirical growth models (Fahlvik et al. 2014), mortality models (Fridman 953 and Ståhl 2001) and models for in-growth (Wikberg 2004) the system projects individual tree 954 development. In addition, the system has a built-in model modifying wood growth to the climate scenario 955 RCP4.5, based on the process-based model BIOMASS (McMurtrie et al. 1990) adapted to Swedish 956 conditions (e.g. Bergh et al. (2003)). Then, we used the Heureka application PlanWise to simulate the 957 different management regimes in Sweden, were many different alternatives (so called treatment 958 schedules) are projected for each treatment unit (here NFI plot) with different timings of forest 959 management actions (cleaning, thinning, clear-felling).

- In Heureka, management regimes can be defined with relatively high level of detail (**Table S5**). Several
 treatment schedules are generated in five-year periods over 100 years, for each treatment unit and their
 assigned management regimes. Each treatment schedule differs in the timing of management actions and
 covers the entire planning horizon.
- Table 551: Summary table of the simulated management regimes for Sweden and their allocation to the six management classes.
 Regimes indicated with "*" were only used in the bioeconomy scenario (BES).

Management	Management regime				
class	Abbreviation	Description			
Catacida (CA)	Unmanagad	Set aside; The forest grows from the initial state, no timber			
Set aside (SA)	Unmanageu	extraction			
		Even-aged forestry; Biofuel extraction at final felling on dry and			
Business-as-		mesic soils, retaining 10 trees and 3 high stumps/ha at final			
LISUAL (BALL)	BAU	felling (retention). Max 30 years delay in final felling after			
usual (BAO)		reaching minimum final felling age (according to the Swedish			
		Forestry Act). Regeneration: planting			
	BAU – No thinning	Even-aged forestry with no thinnings; BAU with no thinnings.			
Extensified		Even-aged forestry with prolonged rotations; BAU with final			
BAU (E-BAU)	BAU_ProlongedRotation	felling only allowed from 30 years to 50 years after reaching			
		minimum final felling age			
		Even-aged forestry with bioenergy focus and stump harvest;			
	BAU_FocusBioenergy_St	BAU with biofuel extraction including stump removal (pine and			
	umpHarvest	spruce) and no retaining trees			
		Even-aged forestry with bioenergy focus; BAU with biofuel			
	DAO FOCUSDIOEITEI SY	extraction at final felling in all stands except on wet soils,			
Intensified		bioenergy thinning is allowed.			
BAU (I-BAU)	Int prod*	BAU allowing breeding of plant material, short rotations, no			
		thinnings and fertilization			
	Int HybridExotic*	BAU allowing planting hybrid/exotic-like species and managed			
		accordingly (including no thinnings and short rotations)			
		BAU allowing planting Contorta and following adapted			
	Int_Contorta*	management (including shorter rotations and adapted			
		thinnings)			
Adaptation to		BAU that aims at increasing the proportion of broadleaves in			
climate	Even-aged forestry	the landscape by increasing the share of retained broadleaves			
change (ACC)	promoting broadleaves	in cleaning and thinning operations and allowing for longer			
0.101.80 (1.00)		rotation periods. Natural regeneration (seed trees).			
Continuous		Reoccurring selection fellings, minimum 10 years in-between 2			
Cover Forestry	CCF	fellings. Only possible in spruce dominated stands. Natural			
(CCF)		regeneration.			

966

968 2. Forest Ecosystem Services and Indicators

969 **2.1.** Finland

970 Wood production – The ecosystem service was measured by the simulated annual yearly increment (m3
971 ha-1 yr-1) and the periodically harvested timber volume (m3 ha-1).

Bioenergy – It assessed the harvested biomass (m3 ha-1), which summarizes the combined volume of
harvest residues, uplifted tree stumps and roots (only for spruce and pine stands under rotation forestry
on fertile and medium fertile site types).

Biodiversity conservation - According to the red list of habitat types in Finland (Kontula and Raunio 975 976 2019), the reasons for forest habitat types becoming red-listed are reduction in deadwood, reduction in 977 old-growth forests and individual old trees as well as changes in tree species composition by reducing the 978 share of deciduous trees. Thus, we measured biodiversity by five separate variables: deadwood volume 979 (m3 ha-1); percentage of deciduous trees; the number of large trees (diameter at breast height DBH > 40 980 cm); the share of stands managed by set aside (representing strict protected areas), as well as the share 981 of stands managed with CCF (two regimes with reduced thinning intensity) and rotation forestry with 982 green tree retention (representing conservation oriented management in commercial forests (see 983 Supplementary Note 4, Simulator and regimes of Finland).

Water protection – We used the share of CCF on peatlands as a management option to decrease negative
water quality impacts to lakes and streams (Nieminen et al. 2018), which are caused by intensive
management options (clearfelling combined with ditching) (Nieminen et al. 2017, Marttila et al. 2020,
Tolkkinen et al. 2020).

988 Climate regulation – We measured by the carbon sink (t CO₂ ha⁻¹ yr⁻¹), which represents the change in 989 carbon storage between two simulation time steps. Carbon storage was the sum of the total carbon held 990 within standing timber, deadwood, and soil, converted in its corresponding CO₂ content. The carbon of 991 standing timber and deadwood was evaluated as 50% of the dry biomass (see Eyvindson et al. (2021)). 992 The carbon storage in wood products was not included since national policies mainly defined the forest 993 landscape as system boundary when setting targets.

994 Recreation – The ecosystem service was calculated using two indices developed by (Pukkala et al. 1988,
995 Pukkala et al. 1995), which estimates people's average opinion about the recreational value (recreation

- 996 index) and beauty of forests (scenic index) of managed forest stands, assuming that their values increases
- 997 with the age and size of trees, as well as increasing the shares of pines and birches.

998 Table S62: Summary of the indicators used in Finland. The summaries are based on the Maximum Multifunctionality scenario 999 (MF).

FES	Indicators	Scenario	max	min	sd
	Annual Increment (m ³ ha ⁻¹ year ⁻¹)	noCC	49.6	0	3.56
Wood	Annual Increment (m ³ ha ⁻¹ year ⁻¹)	RCP4.5	35.90	0	4.162
wood	Harvested Volume (m ³ ha ⁻¹)	noCC	126.51	0	10.466
	Harvested Volume (m ³ ha ⁻¹)	RCP4.5	156.200	0	11.118
Bioonormy	Biomass (m ³ ha ⁻¹)	noCC	23.18	0	1.834
Bioenergy	Biomass (m ³ ha ⁻¹)	RCP4.5	26.190	0	1.986
	Conservation_regime	noCC	1	0	0.499
	Conservation_regime	RCP4.5	1	0	0.500
	Deadwood(m ³ ha ⁻¹)	noCC	669.26	0.01	16.20
	Deadwood(m ³ ha ⁻¹)	RCP4.5	650.520	0.01	16.181
Biodiversity	Deciduous tree volume (%)	noCC	100	0.000	39.376
-	Deciduous tree volume (%)	RCP4.5	100	0	39.469
	Large trees (DBH > 40cm) (n ha ⁻ 1)	noCC	381.85	0	22.083
	Large trees (DBH > 40cm) (n ha ⁻ 1)	RCP4.5	420.760	0	20.643
Water	Regimes CCF/SA on peatland (%)	noCC	1	0	0.440
protection	Regimes CCF/SA on peatland (%)	RCP4.5	1	0	0.440
Climate	Carbon sink (t CO2 ha-1 yr-1)	noCC	50.28	-132.7	13.152
regulation	Carbon sink (t CO2 ha-1 yr-1)	RCP4.5	43.160	-152.2749	14.029
	Recreation index (-)	noCC	7.879	0	0.572
Pograation	Recreation index (-)	RCP4.5	8.197	0	0.613
Recreation	Scenic index (-)	noCC	14.751	0	1.78
	Scenic index (-)	RCP4.5	14.876	0	1.751

1000

1001

1002 **2.2.Ger**many

Wood production – We addressed by the indicators annual increment and harvested timber amount per
 simulation period. Both, harvested timber and bioenergy were calculated for individual tree dimensions
 based on the wood assortment program BDATPro (Kublin 2003).

Bioenergy – We used marginal assortments that are typically used for energy wood products (harvest
residues and stumps).

Biodiversity conservation – We used the biodiversity fuzzy indicator from Biber et al. (2021). Additionally,
it was also addressed based on tree species diversity, like the Shannon index of tree species (Jost 2006),
and the species profile index developed by Pretzsch (2009). Further, the share of stands managed by set
aside was considered representing strict protected areas.

1012 Water protection – It was evaluated through forest stability indicators: the standing volume and the1013 crown coverage.

1014 **Climate regulation** – We addressed it through indicators of carbon storage on the one hand and avoidance 1015 of carbon emission on the other. We therefore applied a total carbon balance that accounts for carbon 1016 storages in standing volume and, in wood products, as well as the avoidance of CO_2 emission through

1017 substitutional use of construction wood instead of other construction materials (Biber et al. 2021).

1018 **Recreation** – We used the "recreation & aesthetics" fuzzy indicator reported by Biber et al. (2021).

1019Table S73: Summary of the indicators used in Germany. The summaries are based on the Maximum Multifunctionality scenario1020(MF).

FES	Indicators	scenario	max	min	sd
	Annual Increment (m ³ ha ⁻¹ year ⁻¹)	noCC	2.212E-07	-2.45E-07	6.038E-08
Wood	Annual Increment (m ³ ha ⁻¹ year ⁻¹)	RCP45	2.775E-07	-2.35E-07	6.992E-08
wood	Harvested volume (m ³ ha ⁻¹ year ⁻¹)	noCC	615.003	0.000	69.241
	Harvested volume (m ³ ha ⁻¹ year ⁻¹)	RCP45	708.259	0.000	60.107
Picoporgy	Harvest residues (m ³)	noCC	8.924	0	0.997
ыоепегду	Harvest residues (m ³)	RCP45	1.051	0	0.089
	Biodiversity fuzzy indicator (ND)	noCC	0.910	0.090	0.195
Piodivorcity	Biodiversity fuzzy indicator (ND)	RCP45	0.910	0.090	0.192
biourversity	DeadWood (m ³)	noCC	235.283	0.000	26.969
	DeadWood (m ³)	RCP45	172.366	0.000	28.826
	Crown coverage (%)	noCC	18.882	-18.546	3.982
Water	Crown coverage (%)	RCP45	19.590	-19.096	3.681
protection	Standing volume (m ³ ha ⁻¹)	noCC	1.546E-06	6.464E-10	2.492E-07
	Standing volume (m ³ ha ⁻¹)	RCP45	1.768E-06	3.15E-09	3.006E-07
Climate	Carbon Balance (tC ha-1)	noCC	18.622	-20.234	2.211
regulation	Carbon Balance (tC ha-1)	RCP45	10.521	-11.139	1.660

D econstruction	Recreation and Esthetics fuzzy indicator (ND)	noCC	0.838	0.131	0.124
Recreation	Recreation and Esthetics fuzzy indicator (ND)	RCP45	0.831	0.081	0.121

1021 **2.3.Norway**

1022 **Wood production** – We used two indicators: discounted harvest net income (NOK) and total amount of 1023 harvested volume commercial timber (m3). Discounted harvest net income was calculated based on the 1024 revenues for harvested timber minus the cost of silvicultural operations and transportation. Timber prices 1025 and harvest costs were kept constant over the simulation horizon (Vennesland et al. 2013)

Bioenergy – We assessed bioenergy production by the amount of harvested energy wood, i.e. tops and
 branches, known in the Norwegian acronym as GROT and here labelled as harvested residues.

1028 **Biodiversity** – Biodiversity conservation was assessed by MiS area, bilberry coverage, and deadwood 1029 volume. MiS (Miljøregistrering i skog in Norwegian) is a habitat inventory approach, called 1030 "Complementary Hotspot Inventory" (CHI). This habitat inventory approach is currently used in forestry 1031 planning in Norway and is based on identifying areas that are particularly important for red-listed species 1032 (Gjerde et al. 2007, Timonen et al. 2010). Therefore, the NFI plots were classified as MiS plot (1) or not (0) 1033 focusing on the abundance of big trees and broadleaved trees. Bilberries are the most common wild 1034 berries in Norway. The bilberry coverage (%) was calculated using a beta regression model fitted to the 1035 Norwegian NFI bilberry cover data, which predicts the bilberry coverage of the forest ground based on 1036 stand characteristics (stand age, vegetation type, and stand basal area). We also included volume of 1037 deadwood as an indicator since it is important for forest biodiversity conservation (Müller and Bütler 1038 2010, Gao et al. 2015). The deadwood volume was estimated using a species and diameter class specific, 1039 climate adjusted decomposition function based on the mortality of stands from the NFI.

Water protection – We calculated the clear-cut area (ha) in steep terrain and in mountain forests,
assuming that forest areas that were recently clear-felled are lacking a sufficient protection effect against
erosion (Brang et al. 2006).

1043 **Climate regulation** – We calculated the sum of the predicted amount of carbon stored in living trees, 1044 deadwood, and soil. To calculate the flow of carbon sink in living trees, the estimated biomass of individual 1045 trees was converted to its carbon equivalent using a factor of 0.5 (IPCC 2006). Soil carbon was estimated 1046 using the Yasso07 model (Liski et al. 2005). We also assessed the carbon storage in harvested wood 1047 products (HWP) considering two products, saw timber and wood-based panels with half-lives of 35 and 1048 25 years, respectively. The current HWP pool is assumed to be zero. Thus, the carbon storage in HWP pool 1049 only increases at the beginning of the simulations since there is no release of carbon from the current1050 HWP pool (until 25 years from the first harvest).

1051 **Recreation** – We measured the recreational aspects of forests by the Shannon index and proportion of 1052 City Forest. The Shannon index (Jost 2006) was used to calculate the tree species diversity for each NFI 1053 plot, assuming that a higher diversity is more attractive for people seeking recreation. City forest is defined 1054 as a 30 km buffer zone around cities with a population greater or equal to 40.000 inhabitants, which was 1055 based on the urban area layer from Statistics Norway.

Table S84: Summary of the indicators used in Norway. The summaries are based on the Maximum Multifunctionality scenario
 (MF).

FES	Indicators	Scenario	max	min	sd
	Harvested Volume (Mm3)	noCC	190.194	0	13.287
Wood	Harvested Volume (Mm3)	RCP 4.5	186.848	0	13.127
	Net Value (NOK)	noCC	40803	-14818	2776
	Net Value (NOK)	RCP 4.5	42240	-18316	2782
Bioenergy	Harvested residues (Mm3)	noCC	72635.279	0	2372.018
Dioenergy	Harvested residues (Mm3)	RCP 4.5	113952	0	2759
	MIS_area (ha)	noCC	13.467	0	0.512
	MIS_area (ha)	RCP 4.5	13.467	0	0.606
Biodivorsity	Bilberry (%)	noCC	0.985	0.002	0.064
biourversity	Bilberry (%)	RCP 4.5	1.000	0	0.064
	Deadwood (Mm3)	noCC	718.982	0	19.525
	Deadwood (Mm3)	RCP 4.5	536.655	0	18.734
	CO₂ in HWP (Kt)	noCC	109866	0	7762
Climate	CO₂ in HWP (Kt)	RCP 4.5	1108026	0	16107
regulation	CO2_forest (MKt)	noCC	418.532	-275.176	22.419
	CO2_forest (MKt)	RCP 4.5	1066.727	-249.512	27.433
Water protection	Harvest in steep terrain and mountain forests (Mm3)	noCC	8205.826	0	525.695
	Harvest in steep terrain and mountain forests (Mm3)	RCP 4.5	8205.826	0	530.895
	Harvest in city plots forest (Mm ³)	noCC	153.423	0	5.646
Pocreation	Harvest in city plots forest (Mm ³)	RCP 4.5	186.848	0	5.627
Recreation	Shannon index	noCC	0.428	0	0.087
	Shannon index	RCP 4 5	0 441	0	0.087

1058

1059 **2.4.Sweden**

1060 **Wood production** – We used the net present value (NPV in SEK), wood increment ($m^3 ha^{-1} yr^{-1}$), and the 1061 average ($m^3 ha^{-1} yr^{-1}$) and total annual harvest ($m^3 yr^{-1}$). The NPV is the discounted revenue minus the expenses for growing and extracting timber, calculated for the first year of the simulation. Wood
increment is the net increase in biomass of the living trees. The average and total yearly harvest is the
harvested forest biomass extracted and left in the forest.

Bioenergy – We used the harvested residues (m³ yr⁻¹) as an indicator for bioenergy. In Heureka branches,
 foliage, roots > 5mm, and treetops can be extracted as residues depending on the management regime,
 e.g. stump harvesting is only allowed under *BAU_FocusBioenergy_StumpHarvest* (see Supplementary
 Note 4, Simulator and regimes of Sweden).

Biodiversity conservation – Biodiversity was measured by the share of set asides (%), deadwood volume (m³ ha⁻¹), and the area of old (>80 years) deciduous-rich (>30 %) forest. The set aside area is a good biodiversity metric, since a large share of the threatened and rare species in Nordic forests depend on unmanaged forest where only natural disturbances are taking place, which are typical of set asides. The dead wood volume and the area of old deciduous-rich forests are two of the official environmental quality objectives indicators used to measure the state of Swedish forests from the perspective of biodiversity (see Swedish EPA 2022).

1076 Water protection – For Sweden, we used the share of continuous cover forestry (% CCF) for the same 1077 reason as described in the case of Finland above, although CCF can be applied only where Norway spruce 1078 is the dominating species. Heureka does not allow CCF on forest land dominated by Scots pine. In Finland 1079 CCF is frequently applied on ditched mires dominated by pine, but mires are not managed in Sweden.

1080 Climate regulation – We used the carbon stock in wood and soil (t CO2 ha-1) as an indicator for the role
1081 of the forest in the global carbon balance. The indicator is the sum of the carbon stock in the soil,
1082 deadwood, and the living biomass above ground.

Recreation – The recreation index ranges between 0 and 1 and is calculated from forest stand variables
 changing through time in the projections (Lind 2007). The index increases with stand age, tree size
 diversity, deadwood volume, and share of deciduous trees, and decreases with the number of downed
 logs, harvest residues, number of stems, and soil damage.

1087Table S95: Summary of the indicators used in Sweden. The summaries are based on the Maximum Multifunctionality scenario1088(MF).

FES	Indicators	Scenario	max	min	sd
Wood	Net Present Value (SEK)	noCC	521362100	0	9112034

	Net Present Value (SEK)	RCP4.5	565517700	0	10151240
	Annual Increment (m ³ ha ⁻¹ year ⁻¹)	noCC	29220.23	-1466.55	2721.04
	Annual Increment (m ³ ha ⁻¹ year ⁻¹)	RCP4.5	36502.24	-1711.42	3040.29
	Harvested volume (m ³ ha ⁻¹ year ⁻¹)	noCC	135429	0	10078.272
	Harvested volume (m ³ ha ⁻¹ year ⁻¹)	RCP4.5	163007	0	11932.239
Pionormy	Harvested residues (m ³ year ⁻¹)	noCC	40136.6	0	2829.34
ыопегду	Harvested residues (m ³ year ⁻¹)	RCP4.5	56348.33	0	3187.23
	Old Deciduous (ha)	noCC	2356.05	0	196.09
Piodivorcity	Old Deciduous (ha)	RCP4.5	2356.05	0	219.43
biodiversity	Deadwood volume (m ³ ha ⁻¹)	noCC	344034	0	17044
	Deadwood volume (m ³ ha ⁻¹)	RCP4.5	378670.1	0	21414.168
Water	Share of regime CCF (%)	noCC	1870.45	0	346.66
protection	Share of regime CCF (%)	RCP4.5	2356.05	0	353.15
Climate	Carbon in wood and soil (t CO_2 ha ⁻¹)	noCC	615251.1	649.0294	56764.89
regulation	Carbon in wood and soil (t CO_2 ha ⁻¹)	RCP4.5	669246.8	649.0294	64288.31
Pograation	Recreation index (-)	noCC	1694	0	240
Recreation	Recreation index (-)	RCP4.5	1720.41	0	255.913

1091 3. National policy scenarios

1092 For each study region, we used national level policy documents to define the policy scenarios. This policy 1093 scenarios represent different demands of forest ecosystem services and biodiversity (FESB). Following the 1094 policy analysis framework of Primmer et al. (2021), we then categorized and assessed the stated FESB 1095 targets. To do it, the documents were mapped along nine FESB classes: wood, bioenergy, non-wood 1096 products, game, water protection, climate regulation, resilience, recreation, and biodiversity 1097 conservation. Six of these classes were common over all national policy documents. In a second step, the 1098 demands were evaluated for the addressed FESB in each policy. Finally, using the outcomes of the policy 1099 analyses we defined multi-objective optimization problems separately for each policy scenario. Therefore, 1100 the stated demands for FESB were related to our simulated FESB indicators by individual objective 1101 functions (e.g., Blattert et al. (2022)).

1102 The three scenarios and background documents used in each study area:

1103 Study area – Finland

- National Forest Strategy, NFS: National Forest Strategy 2025 (FMAF 2015, 2019)
- Biodiversity Strategy, BDS: Saving Nature for People National action plan for the conservation and sustainable use of biodiversity in Finland (FME 2012)
- **Bioeconomy Strategy, BES:** Finnish Bioeconomy Strategy (FMME et al. 2014)
- 1108 Study area Germany
- National Forest Strategy, NFS: Forest Strategy 2020 (BMELV 2011)
- **Biodiversity Strategy, BDS:** National Strategy on Biological Diversity (BMU 2007)
- **Bioeconomy Strategy, BES:** National Bioeconomy Strategy (BMBF and BMEL 2020)
- 1112 Study area Norway
- National Forest Strategy, NFS: The white paper on forest policy and wood industry (NMAF 2016)
 Biodiversity Strategy, BDS: The White paper Nature for life Norway's national biodiversity
- Biodiversity Strategy, BDS: The White paper Nature for life Norway's national biodiversity action plan (MCE 2015)
- **Bioeconomy Strategy, BES** SKOG22 Norwegian Bioeconomy Strategy (INNRC 2015)
- 1117 Study area Sweden
- National Forest Strategy, NFS: National forest program 2018, National Forest Impact Analysis SKA 15 (SFA 2015), Swedish Forestry Act, The Swedish Environmental Code
- **Biodiversity Strategy, BDS:** CBD Aichi Target 11, Swedish Environmental Objectives
- Bioeconomy Strategy, BES: National Forest Impact Analysis SKA 15 (SFA 2015), Forest management with new possibilities Report 24 (SFA 2019), Possibilities for intensive growth of forest (MINT) (Larsson et al. 2009), CBD Aichi Target 11

1124

How each study region has translated their national policy documents into an optimization problem and
linked it to the simulated FESB indicators is presented in Table S6 – Table S9.

1127 In Finland, there was a wide variation in the number and detail of FESB addressed in Finland's policies. 1128 While acknowledging the multifunctional use of forest ecosystems with clear numerical targets that 1129 address wood production, bioenergy and biodiversity, the NFS is still centered around the value chain of 1130 wood and bioenergy. As part of the BDS, effective actions were aimed at halting biodiversity loss and 1131 achieving a favorable status by 2050. The Finnish BES follows the logic of mobilizing forest resources for 1132 bioeconomy while simultaneously preserving biodiversity. However, we should point out that in the 1133 individual policies, ecosystem services other than wood and biodiversity received little. Resilience and 1134 climate regulation were indirectly addressed by two contradictory mechanisms: forest area under 1135 protection (BDS), or sustainable use of timber resources (BES).

The federal republic policy documents in **Bavaria** were analyzed to represent state-level developments but generally lack quantitative objectives. In Germany, forest ecosystems have long been used in a variety of multifunctional ways, which was explicitly acknowledged in the NFS. The BDS and BES, on the other hand, were more narrowly focused on specific FESB, namely biodiversity and wood production. Finally, as they are not considered matters of forest policies In Bavaria, the provisioning ecosystem services beyond wood and bioenergy (e.g., berries, mushrooms, game) gain little focus.

1142 In Norway, the detail in which these FESB were addressed also varied significantly between policies, since 1143 the policies were more specialized to specific FESB. By increasing the production and extraction of wood-1144 based materials, bioenergy, and biofuels, the forest policy aimed to boost the wood industry. In contrast, 1145 the BDS focused on preserving and enhancing biological diversity, protecting against erosion, and 1146 promoting recreational activities. Contrary to other countries, the BES highlighted the value of the 1147 multifunctional use of forest ecosystems, recognizing the role of forests in climate regulation, wood 1148 production, bioenergy, biodiversity, and recreation. However, like the other countries, the policies 1149 generally lack quantitative objectives.

In Sweden, dedicated documents fully corresponding to the focal policy strategies are not yet available, but partly developing. Instead, available public documents and reports were grouped to represent the three strategies. NFS was replaced by the developing National Forest Program with recommendations to increase wood growth, national forest use scenarios and main legislation. Similarly, the BDS was replaced by the Swedish Environmental Objectives and the Swedish Achi Targets of the CBD and recognized the
multifunctional use of forest ecosystems. Finally, BES was replaced by inputs from specific studies on how
to increase wood growth and enduring future harvest levels, in combination with fulfilling conservation
targets. The selection of documents was further based on consultation of stakeholder in the sector and
represents a more bottom-up understanding of the future development of the sector than the other study
regions.

Table S10 Optimization scenarios of **FINLAND** describing the applied indicators and optimization rules to address the forest ecosystem service demands of the three national policy scenarios; with step = order of optimization steps following the priority assigned to objectives, red = epsilon constraint, blue = maximize objective. The corresponding equation types (Eq.) for the individual objective functions are explained in supplementary section S5

Ecosystem services		National forest strategy			Biodiversity strategy			Bioeconomy strategy		
& biodiversity	Indicator (unit)	Objective / Constraint	Eq.	step	Objective / Constraint	Eq.	step	Objective / Constraint		step
Wood production	Increment (m ³ ha ⁻¹ yr ⁻¹)	Target 2025: ≥ 115 Mm³; target 2050: ≥ 125 Mm³	S1	1						
	Harvested roundwood (m ³ ha ⁻¹)	Target 2025: ≥ 80 Mm ³	S1	1	Maximize (even flow)	S5a	1	Maximum even flow	S5a	2
Bioenergy	Harvested residues (m ³ ha ⁻¹)	Target 2025: ≥ 6.5 Mm³	S1	1				Maximum even flow	S5a	2
Non-wood	Bilberry (kg ha ⁻¹) <i>(Miina et al. 2009)</i>	No decline, maximize further	S2	3						
	Cowberry (kg ha ⁻¹) <i>(Turtiainen et al. 2013)</i>	No decline, maximize further	S2	3						
	Mushrooms (kg ha-1) (Tahvanainen et al. 2016)	No decline, maximize further	S2	3						
Game	HSI moose (-) <i>(Kurttila et al. 2002)</i>	Maximize	S5c	4	Maximize	S5c	1			
	HSI capercaillie (-) (Mönkkönen et al. 2014)	Maximize	S5c	4	Maximize	S5c	1			
	HSI hazel grouse (-) (Mönkkönen et al. 2014)	Maximize	S5c	4	Maximize	S5c	1			
Biodiversity	Share of regime SA (%)				Target of 17%	S3a	1			
Conservation	Conservation regimes (-) ^{a)}	Target of ≥ 4.5 %	S3a	2	Target of 4.5%	S3a	1			
	Deadwood (m³ ha⁻¹)	Target 2025: avg. ≥ 8 m³ha⁻¹	S1	2	Target 2050: increase by 60%	S6	1	No decline & no target	S6	1
	Deciduous tree volume (%)	Maximize	S5b	4	Target 2050: increase by 10%	S6	1	No decline & no target	S6	1
	Large trees (DBH > 40cm) (n ha ⁻¹)	Maximize	S5b	4	Target 2050: increase by 10%	S6	1	No decline & no target	S6	1
Water protection	Regimes CCF/SA on peatland (%)	Enabled constraint	S4a	1	Enabled constraint	S4a	1			
Climate regulation	CO_2 sink in forest (t CO_2 ha ⁻¹ yr ⁻¹): including deadwood decomposition (<i>Mäkinen et al.</i> 2006) and soil, mineral (<i>Liski et al. 2005, Tuomi et al. 2009, Tuomi et al. 2011</i>) and peatland (<i>Ojanen et al. 2014</i>)	Target 2025: ≥ 27.88 MtCO equivalent	² S1	2						
Recreation	Recreation index (-) (Pukkala et al. 1995)	Maximize	S5a	4	Maximize	S5a	1	Maximize	S5a	2
	Scenic index (-) <i>(Pukkala et al. 1995)</i>	Maximize	S5a	4	Maximize	S5a	1	Maximize	S5a	2
Resilience	Share of regime ACC (%)	Maximize	S3b	4						

a) Conservation oriented regimes were represented by two CCF regimes with reduced thinning intensity (CCF_3, CCF_4), and an extensified BAU regime with retention tree ((BAUwGTR, see Simulator and regimes of Finland, Table S2)

Table S11: Optimization scenarios of **GERMANY** describing the applied indicators and optimization rules to address the FESB demands of the three national policy scenarios; with step = order of optimization steps following the priority assigned to objectives, red = epsilon constraint, blue = maximize/minimize objective. The corresponding equation types (Eq.) for the individual objective functions are explained in supplementary section S5

Ecosystem services		National forest strategy			Biodiversity strategy			Bioeconomy strategy		
& biodiversity	Indicator (unit)	Objective / Constraint	Eq.	step	Objective / Constraint	Eq.	step	Objective / Constraint	Eq.	step
Wood production	Increment (m ³ ha ⁻¹ yr ⁻¹)	Maximize (even-flow)	S5a	1						
	Harvested volume (m ³ ha ⁻¹ yr ⁻¹)	Maximize (even-flow)	S5a	1						
	Sawlogs (m ³ ha ⁻¹ yr ⁻¹)					1		Maximize (even-flow)	S5a	1
	Pulpwood (m ³ ha ⁻¹ yr ⁻¹)							Maximize (even-flow)	S5a	1
Bioenergy	Energy Products (m ³ ha ⁻¹ yr ⁻¹)	Maximize	S5a	2				Maximize	S5a	1
Non-wood ^{a)}										
Game ^{a)}										
Biodiversity	Biodiversity indicator (-) (Biber et al. 2021)	Maximize (change >0)	S5c	1	Maximize	S5c	1	Maximize	S5a	3
Conservation	Shannon index (-) (Shannon and Weaver 1949)	Maximize	S5c	3	Maximize	S5c	1			
	Species profile index (-) (Pretzsch 2009)	Maximize	S5c	3	Maximize	S5c	1			
	Share of regime SA (%)				Target of 5%	S3a	1			
Water protection	Crown coverage (m ² ha ⁻¹)	Maximize	S5a	1				Maximize	S5a	3
	Standing volume (m ³)	Constant (change > 0)	S2	1						
	Total Carbon Balance (tC year-1) (Biber et al. 2021)	Maximize	S5a	3				Maximize	S5c	2
Climate regulation	Relative Living Carbon (tC year ⁻¹) (Biber et al. 2021)				Maximize target 2020 (+5%)	S6a	1			
Recreation	Recreation & aesthetics indicator (-) (Biber et al. 2021)	Maximize	S5c	1						
Desiliance	Storm & bark beetle risk (-) (Biber et al. 2021)	Minimize	S 7	3						
Resilience	Pot. natural vegetation (pnV) (-)				Minimize	S 7	1			
	CC on protected land	Enabled constraint	S4a	1	Enabled constraint	S4a	1	Enabled constraint	S4a	1
Legal constraints	CC on state forests	Enabled constraint	S4a	1	Enabled constraint	S4a	1	Enabled constraint	S4a	1

a) No targets or objectives mentioned in national policies.

Table S12: Optimization scenarios of **NORWAY** describing the applied indicators and optimization rules to address the FESB demands of the three national policy scenarios; with step = order of optimization steps following the priority assigned to objectives, red = epsilon constraint, blue = maximize objective. The corresponding equation types (Eq.) for the individual objective functions are explained in supplementary section S5

Ecosystem services &		National forest strategy			Biodiversity strategy			Bioeconomy strategy		
biodiversity	Indicator (unit)	Objective / Constraint	Eq.	step	Objective / Constraint	Eq.	step	Objective / Constraint	Eq,	step
Wood production	Harvest net value (NOK)	Maximize	5a	1				Maximize	5a	1
	Harvested volume (Mm ³)				Maximize (even-flow)	5a	1			
Bioenergy	Harvested residues (Kt)	Maximize: plots with harvest costs < 150 NOK)	S8	2				Maximize: plots with harvest costs < 200 NOK)	¹ S8	2
Non-wood ^{a)}										
Game ^{b)}										
Biodiversity	MIS ^{c)} area (ha) <i>(Gjerde et al. 2007)</i>	No decline allowed	2	3	No decline allowed	2	1	No decline allowed	2	3
	Deadwood volume (Mm ³)				No decline allowed	2	1			
	Bilberry ^{d)} cover (%)				No decline allowed	2	1			
	MIS ^{c)} area (ha) <i>(Gjerde et al. 2007)</i>				Maximize	5a	1			
	Dead wood volume (Mm3)				Maximize	5a	1			
	Bilberry ^{d)} cover (%) ^{d)}				Maximize	5a	1			
Water protection	Harvest vol. in protect areas (Mm ³)				No increase allowed	S7	1			
Climate regulation	Natl. CO_2 in harvested wood product (Kt)	Maximize	5c	2				Maximize	5c	2
	Natl. CO_2 in forest (MKt): including CO_2 in living biomass, and mineral soils (<i>Liski et al. 2005</i>)							Maximize	5d	2
Recreation	Harvest vol. in city forest (Mm ³)				No decline allowed	2	2	No decline allowed	2	3
	Shannon index (-) (Frank et al. 2013)				No decline allowed	2	2	No decline allowed	2	3
Resilience ^{a)}										

a) No targets or objectives mentioned in national policies.

b) No indicator models were available for assessing the game in Norway at the time of this study.

c) MIS = Norwegian hot spot national inventory for biodiversity, the abundance of big and broadleaved trees.

d) Bilberry was allocated to biodiversity since the Biodiversity strategy mentioned it more explicitly under this service.

Table S13: Optimization scenarios of **SWEDEN** describing the applied indicators and optimization rules to address the FESB demands of the three national policy scenarios; with step = order of optimization steps following the priority assigned to objectives, red = epsilon constraint, blue = maximize objective. The corresponding equations types (Eq.) for the individual objective functions are explained in supplementary section S5

Ecosystem services & biodiversity	Indicator (unit)	National forest strategy Objective / Constraint	Eq.	step	Biodiversity strategy Objective / Constraint		step	Bioeconomy strategy Objective / Constraint	Eq.	step
Wood production	Net Present Value (SEK)	Maximize	S5a	2	Maximize S5		3	Maximize	S5a	6
	Wood increment (m ³ ha ⁻¹ yr ⁻¹)				Maximize	S5a	2	Target 2050: 5.5 m ³ ha ⁻¹ yr ⁻¹	S1b	1
	Average harvest volume (m ³ ha ⁻¹ yr ⁻¹)	Maximize (even-flow)	S5a	2	Maximize (even-flow)	S5a	3	Maximize (even-flow)	S5a	4
	Total harvest volume (m ³ yr ⁻¹)	Enabled constraint: Harvest ± 10% of increment	S4b	1				Target 2080: 141 Mm ³	S1b	1
Bioenergy	Harvested residues (m ³ yr ⁻¹)							Target 2030: 14 Mm ³	S1a	2
Non-wood ^{a)}										
Game ^{a)}										
Biodiversity	Share of regime SA (%)	12.8%	S3a	1	17%	S3a	1	17%	S3a	3
	Deadwood volume (m³ ha⁻¹)	No decrease	S2	1	Target 2050: increase by 60% on managed land	S6a	1	No decrease	S2	5
	Old, deciduous-rich forest area (ha)	No decrease	S2	1	Target 2050: increase by 60% on managed land	S6a	1	No decrease	S2	5
Climate	Carbon in wood and soil (t CO_2 ha ⁻¹)	No decrease	S2	1	No decrease	S2	1	No decrease	S2	5
Recreation	Recreation index (-)	No decrease	S2	1	No decrease	S2	1	No decrease	S2	5
Water	Share of regime CCF (%)				10%	S3a	1			
Resilience	Deciduous volume (m ³ ha ⁻¹)	No decrease	S2	1	Target 2050: increase by 60% on managed land	S6a	1	No decrease	S2	5

a) No up-to-date indicator models were available for assessing the non-wood and game in Sweden at the time of this study.

1 4. Climate scenarios

2 4.1.Nationally Determined Contribution (NDC) scenario

This scenario included the 2030 target for the EU as communicated in the Nationally Determined Contribution (NDC) documentation submitted by the EU to the UNFCCC. The scenario as such included a 40% reduction of greenhouse gas emissions by 2030 (from 1990 levels), a 27% share for renewable energy, and a 27% increase in energy efficiency.

7 This scenario built to a large extent on the achievement of the energy and climate 2030 targets as adopted 8 by the EU leaders in October 2014, further refined on May 2018 with the agreement on the Effort Sharing 9 Regulation and enhanced in June 2018 with the agreement on the recast of Renewable Energy Directive 10 and the revised Energy Efficiency Directive. The scenario thereby built on the 2020 climate and energy 11 package and incorporates several major recently agreed pieces of legislation, as well as recent 12 Commission proposals:

- 13 The revised EU ETS Directive (Directive (EU) 2018/410) which entered into force on 8 April 2018;
- The LULUCF Regulation (Regulation (EU) 2018/841) which entered into force on 9 July 2018;
- 15 The Effort Sharing Regulation (Regulation (EU) 2018/842) which entered into force on 9 July 2018;
- The Energy Performance of Buildings Directive (Directive (EU) 2018/844) which entered into force
 on 9 July 2018, according to which new buildings are assumed to be nearly zero-energy buildings as
 of 2020;
- The Commission proposal for the recast of the Renewable Energy Directive. In its agreed version by
 the European Parliament and the Council on June 14th, 2018 it features a 32% overall RES EU
 target;
- The Commission proposal for the revision of the Energy Efficiency Directive. In its agreed version by
 the European Parliament and the Council on June 20th, 2018 it features 32.5% overall Primary
- Energy Consumption and Final Energy Consumption target (compared to 2007 Baseline), as well as
 a continuation of Art 7 of EED post-2020 without a sunset clause;
- 26 The Commission proposal for the revision of the Eurovignette Directive;
- 27 The Commission proposal for the revision of Combined Transport Directive;
- 28 The Commission proposal for the revision of Clean Vehicles Directive;
- 29 Regulation on electronic freight transport information;
- 30 The Commission proposal for new CO2 standards for LDVs and HDVs.

31 It should be noted that it was assumed that the recent EU LULUCF Regulation is included in the EU target

- 32 but the harvest level for the individual member states and its forest reference level (FRL) estimates was
- not constrained, as stated in the countries NFAP's (National Forestry Accounting Plan). The reason is that

the FRL is only for accounting, and it is not sure yet how member states will implement policies toinfluence the forest harvest levels as defined in the countries final FRL.

The scenario does not include any target after 2030 as this was neither included in the original EU NDC specifications. Thus, no long-term policy targets (i.e., 2040, 2050, 2100) were included and accounted for in this scenario as set by individual EU member states. Furthermore, it should be noted that these scenarios do not account for the Agriculture, Forestry and Other land use (AFOLU) specific targets and accounting rules put forward in the EU 'Fit for 55' proposal (EC 2021), such as the target of the AFOLU sector to become climate neutral by 2035.

42

43 4.2.1.5 °C scenario

The overall aim of this scenario was that the EU and the countries commit and actively contribute to the Paris Agreement's temperature objectives of pursuing efforts to limit the global rise in temperature to 1.5°C by the end of the century (year 2100).

47 This scenario built up on the NDC scenario for reaching policy targets of 2030 (see section above). At the 48 EU level, it is compatible with the European Commission's proposal for a climate-neutral Europe by 2030. The scenario thus assumed that EU overall would achieve net-zero greenhouse gas emissions by 2050. It 49 50 should be noted that net-zero greenhouse gas emissions were here interpreted as the reduction of all 51 greenhouse gases to net zero. However, greenhouse gas emissions neutrality does not imply full 52 decarbonization, as the remaining emissions of CO_2 in the transport, industry and building sectors, and of 53 non-CO₂ greenhouse gases, mostly in agriculture, may be compensated by negative emissions from 54 LULUCF sink (mainly forests) and using Biomass for Energy production coupled with Carbon Capture and 55 Storage (BECCS). At the national level, it was intended to include policies as legislated and currently 56 proposed for the period of 2030 to 2050 (e.g., legislation that Sweden would reach net-zero emissions by the year 2045). 57

58 5. Outcomes of Optimal National Management Strategies

59 Finland



60

64



Figure S1. Optimal management solution for the three policy scenarios representing the national forest strategy (NFS), the biodiversity strategy (BDS), and the bioeconomy strategy (BES) in Finland.

63 Germany



Figure S2. Optimal management solution for the three policy scenarios representing the national forest strategy (NFS), the
 biodiversity strategy (BDS), and the bioeconomy strategy (BES) in Germany

67 Norway



69 Figure S3. Optimal management solution for the three policy scenarios representing the national forest strategy (NFS), the

70 biodiversity strategy (BDS), and the bioeconomy strategy (BES) in Norway.



68

72 Sweden



73



75 biodiversity strategy (BDS), and the bioeconomy strategy (BES) in Sweden

77 6. Muti-objective optimization

For each study area, we used different types of objective functions and constraints to represent the different demands for FESB in our three policy scenarios. These functions are shown in the Supplementary equation S1-S11. Those individual functions and constraints were combined into a logically consistent multi-objective optimization problem, depending on the scenario definitions. See the scenario definition in section 3, the indicators used, and the allocation of the equation types to the different scenarios. The notations of below equations are:

- $f_n(x)$ the objective function addressing a FESB indicator
- $f_{n,0}$ the objective function addressing a FESB indicator in starting year t_0
- P_{target} the target value for an objective function (FESB indicator)
- x_{kj} the decision for stand k to conduct management regime j
- c_{kjt} the indicator value from stand k according management regime j at the simulation period t (in 90 total 5-year steps over 100years); values of c_{kjt} were normalized in the way that the ideal point 91 becomes l and the nadir point becomes 0 by using a pay-off table
- *K* the total number of stands

93
$$J_k$$
 the set of all management regimes for stand j

- $J_{LandType}$ the smaller set of management regimes on certain land type (e.g., peat, state forest)
- T the total number of simulated periods (t) under consideration. Each forest simulator projected
- 96 the indicator development in 5-year steps over 100 years.
- $Y_{\geq target year}$ the set of years equal to and greater than a target year t
- a_i the area of a stand under management j
- *u* positive and negative deviations allowed for a specific target.

Supplementary Equation 1: a) Reach a stated indicator level P_{target} until a target year t and maintain
 indicator levels for all years afterward; b) optionally, there is a linear increase required from the current
 levels to the target level on target year.

107 **a)**
$$f(x) \leq \sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt} - P_{target}, \forall t \in Y_{\geq target year}$$

108 **b)** $f(x) \leq \sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt} - \left(\frac{target \ year-t}{target \ year-t_0} f_0 + \frac{t-t_0}{target \ year-t_0} P_{target}\right), \forall t \in T \setminus Y_{\geq target \ year}$

109 **Supplementary Equation 2**: avoid a decrease in indicator level compared to the current state ($t = t_0$) 110 and aim to maximise it further (relative values, maximise the minimum).

111
$$f(x) \leq \frac{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}}{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt_0}}, \forall t \in T$$

112 **Supplementary Equation 3:** *a***)** target a certain percentage share P_{target} of a management regime from 113 the start of the planning horizon or *b***)** maximize it without a target.

114 **a)**
$$f(x) \leq \frac{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj}}{\#_K} - P_{target}$$
, $\forall t \in T$

115 **b)**
$$f(x) \leq \frac{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj}}{\#_K}, \forall t \in T$$

Supplementary Equation 4: enabled constraint that a) restricts management regimes on specific land types (e.g., peatland, state forest) to a smaller set of allowed regimes, and b) makes sure the aggregated value of an indicator is u % larger/lower than the aggregated value of another indicator.

119 **a)** if
$$k = LandType, j \in J_{LandType}$$

121
$$\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt} \ge (1-u) \sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}^* , \forall t \in T$$

122
$$\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt} \le (1+u) \sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}^* , \forall t \in T$$

123
$$c_{kjt}^* \setminus c_{kjt}$$

Supplementary Equation 5: maximize an ecosystem service indicator, with different planning horizons: a)
 minimum value over years that leads to the even-flow solution, b) last year value, c) average value over
 years, and d) for the sum over years.

127 **a)**
$$f(x) = min_{t \in T} \left(\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt} \right)$$

128 **b)**
$$f(x) = \sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kj\#T}$$

129
$$c f(x) = \sum_{t \in T} \frac{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}}{\#T}$$

130 **d)**
$$f(x) = \sum_{t \in T} \sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}$$

131 **Supplementary Equation 6:** *a***)** increase the indicator by a certain percentage (P_{target}) until a target year 132 in comparison to the initial situation, *b***)** optionally, there is a linear increase required from the current 133 levels to the target level on target year.

134 **a)**
$$f(x) \leq \frac{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}}{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt_0}} - P_{target}$$
, $\forall t \in Y_{\geq target}$ year

135 **b)**
$$f(x) \leq \frac{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}}{\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt_0}} - \left(\frac{target year - t}{target year - t_0} f_0 + \frac{t - t_0}{target year - t_0} P_{target}\right), \forall t \in T \setminus Y_{\geq target year}$$

136 *Supplementary Equation 7:* minimize an ecosystem service indicator (maximum value over years).

137
$$f(x) = max_{t \in T} \left(\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt} \right)$$

Supplementary Equation S8: maximize an ecosystem service indicator (minimum value over years) in a
 subgroup of plots (e.g., maximize harvests of stands with harvest costs < 150/200 Norwegian krone).

140
$$f(x) = min_{t \in T} \left(\sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}^* \right)$$

141
$$c_{kjt}^* = c_{kjt}$$
 if $c_{kjt}^* < 150/200 \text{ NOK}$, and zero otherwise

142

Targeting the GLOBIOM timber demands (P_{target}) and considering an assortment transfer to meet the demands was represented by the following equation.
Supplementary Equation S9: minimize the maximum difference between possible harvest and targeted timber demands: a) where harvests can still exceed demands, and b) with aiming for "exact" matching of demands as a constraint. The combination of assortments for demand matching (transfer of higher-class assortment to lower classes) classes can be defined by the decision maker

149 **a)**
$$f(x) = max_{t \in T} \left(max \left(\sum_{j=1}^{J_k} x_{kj} c_{kjt} - P_{target,t} \right), max \left(P_{target,t} - \sum_{j=1}^{J_k} x_{kj} c_{kjt} \right) \right)$$

150 **b)**
$$f(x) = max_{t \in T} \left(max \left(\sum_{j=1}^{J_k} x_{kj} c_{kjt} - P_{target,t} \right), max \left(P_{target,t} - \sum_{j=1}^{J_k} x_{kj} c_{kjt} \right) \right) = 0$$

Supplementary Equation S10: All objective functions are subject to the *area constraint* that each stand
 needs to be completely assigned to some management regime *j*:

153
$$\sum_{j=1}^{J_k} x_{kj} = a_j , \forall k \in K$$

Supplementary Equation S11: All functions are subject to an augmentation term that makes the optimization efficient, i.e. forcing secondarily the other objective function(s) within the multi-objective problem to be optimal:

157
$$\rho \sum_{t \in T} \sum_{k \in K} \sum_{j=1}^{J_k} x_{kj} c_{kjt}$$

Supplementary Equation S12: The individual objective functions were optimized by formulation of unique
 multi-objective optimization problems, each representing one optimization scenario (Miettinen 1999a):

160
$$\min_{x} \{f_1(x), \dots, f_n(x)\}$$

161 subject to $x \in S$

Here $f_n(x)$ denotes the individual objective functions, x the vector of management regimes that are to be chosen in the optimization, and S is the feasible set of management regimes determined by a set of constraints.

Each objective function can be interpreted as setting targets for the relevant demands (FESB indicators, timber demands for climate mitigation). Technically this was done by implementing two approaches: 1) so-called achievement scalarizing function (ASF) of Wierzbicki (1986), which can be seen as "soft targets" or so-called reference points that are aimed to be achieved, but that will be relaxed if targets cannot be reached; 2) so called epsilon constraint method (Miettinen 1999b), which can be interpreted as set strict
 maximal (or minimal) levels for minimization (or maximization) objectives. Solving the multi-objective
 optimization problem resulted from combining the two methods.

Supplementary Equation S13: The first component of the objective is an ASF function to be optimized
 (Hartikainen et al. 2016), incorporating the ε-constraint method:

174
$$s^{asf}: f(Q) \times R^{\tau} \to R,$$

175
$$(z, z^{ref}) \mapsto max_{i \in \tau}(z_i - z_i^{ref})/(z_i^{ideal} - z_i^{nadir})$$

$$+\rho \sum_{i \in \tau} z_i / (z_i^{ideal} - z_i^{nadir})$$

177 subject to:

178 $f_l(x) \le \varepsilon_l \,\forall \, l \in \tau$

179

180 where τ is the set of objectives assigned to the ASF function, with f(Q) being the feasible objective set, i.e. 181 the set of all objective vectors that can be obtained from feasible solutions, and the elements of it being the objective vectors z. The reference points $z^{ref} \in R^{\tau}$ are provided as the aspiration levels, which are 182 the desired values of objective functions that should be achieved. The objective vector z is in the image 183 space of the feasible set, with z^{ideal} being the ideal vector of the problem (maximum values of objectives) 184 185 and z^{nadir} being the nadir vector (minimum of individual objective) within the set of Pareto optimal 186 solutions. The summation term at the end is a so-called augmentation term guaranteeing that the 187 solutions are indeed Pareto optimal and not just weakly Pareto optimal, with ρ denoting an arbitrary small 188 positive constant, e.g., the machine epsilon.

 $x \in S$

The overall complexity of multi-functional optimization scenarios required using a lexicographic approach (Miettinen 1999c) to balance among different demands and solve the optimization problem. Therefore, optimizations were done groupwise in sequential steps. The objective functions are numbered according to the order of optimization steps (**Table S6 – Table S9**), i.e., $g_1(x)$ is the first function(s) group by the priority of policy demands, second is the objective $g_r(x)$, and finally $g_{\#G}(x)$.

Supplementary Equation S14: The optimization consists in solving the problem according to its
 lexicographic ordering.

196 $Lex(\min x) = g_1(x), g_r(x), g_{\#G}(x), r \in \{2, ..., \#G-1\}$

The optimal solution of the lexicographic optimization problem is the solution of the last problem in the sequence $g_{\#G}(x)$. The optimization framework comes with a graphical user interface. This allowed setting flexibly and iteratively (sequential optimization steps) both options for the objective functions: soft reference points and hard upper/lower targets as epsilon constraints.

The newly developed multi-objective optimization framework was implemented in python and defines the common optimization rules. Each country applied the same python class, which was called in study regions specific Jupyter notebooks. Within the notebooks, the optimization problems were tailored to represent the specific national scenarios. For demonstration, we uploaded the Jupyter notebook for Finland on an online repository together with a sample dataset:

206 (https://github.com/maeehart/MultiForestDemonstration/tree/master/EUclimate vs natPolicy)

- 207 7. Complete timely development of each Forest ecosystem class for each climate,
- 208 policy scenario and country.
- 209 A comparison of the time series of the six FESB, wood, bioenergy, biodiversity, climate, water and
- 210 recreation, over the simulation period.

211 Finland



- 212
 213
 Figure S5. Effect of the optimal solution on the future development of forest ecosystem services indicators in Finland.

 214
 NFS = national forest scenario, BIOS = biodiversity scenario, and BIES = bioeconomy scenario
- 215
- 216 Germany



218 Figure S6. Effect of the optimal solution on the future development of forest ecosystem services indicators in Germany.

- 219 NFS = national forest scenario, BIOS = biodiversity scenario, and BIES = bioeconomy scenario
- 220







224 NFS = national forest scenario, BIOS = biodiversity scenario, and BIES = bioeconomy scenario

226 Sweden



Figure S8. Effect of the optimal solution on the future development of forest ecosystem services indicators in Sweden.

229 NFS = national forest scenario, BIOS = biodiversity scenario, and BIES = bioeconomy scenario



8. Radar plot comparing each policy scenario and Max MF scenario for no CC

232

233 Figure S9: Comparison of the provision of Forest Ecosystem Services and Biodiversity for the national sectoral scenarios

234 (National Forest, Biodiversity and Bioeconomy strategies)) and the potential Maximum Multifunctionality scenario during 100

235 years for each of the study areas. Results are for the noCC climate scenario.



236 9. FESB for a multifunctional management

237

Figure S10. Synergies and trade-offs among the six FESB selected for the potential maximum MF scenario and the no CC climate

scenario. Values correspond to pairwise Pearson's correlation coefficients between indicators (positive correlations = synergies
 and negative correlation = trade-offs).

242 References

- Äijälä, O., A. Koistinen, J. Sved, K. Vanhatalo, and P. Väisänen. 2014. Hyvän metsänhoidon suositukset
 [Good forest management recommendations]. Forestry Development Center Tapio [In Finnish].
- Antón-Fernández, C., and R. Astrup. 2022. SiTree: A framework to implement single-tree simulators.
 SoftwareX 18:100925.
- Antón-Fernández, C., B. Mola-Yudego, L. Dalsgaard, and R. Astrup. 2016. Climate-sensitive site index
 models for Norway. Canadian Journal of Forest Research 46:794-803.
- Bergh, J., M. Freeman, B. Sigurdsson, S. Kellomäki, K. Laitinen, S. Niinistö, H. Peltola, and S. Linder. 2003.
 Modelling the short-term effects of climate change on the productivity of selected tree species in
 Nordic countries. Forest Ecology and Management **183**:327-340.
- Biber, P., F. Schwaiger, W. Poschenrieder, and H. Pretzsch. 2021. A fuzzy logic-based approach for
 evaluating forest ecosystem service provision and biodiversity applied to a case study landscape
 in Southern Germany. European Journal of Forest Research 140:1559-1586.
- BMBF, and BMEL. 2020. National Bioeconomy Strategy. Federal Ministry of Education and Research
 (BMBF) and Federal Ministry of Food and Agriculture (BMEL). Berlin.
- BMELV. 2011. Forest Strategy 2020. Sustainable Forest Management An Opportunity and a Challenge
 for Society. Federal Ministry of Food, Agriculture and Consumer Protection (Bundesministerium
 für Ernährung, Landwirtschaft und Verbraucherschutz, BMELV). Bonn.
- BMU. 2007. National Strategy on Biological Diversity. Federal Ministry for the Environment, Nature
 Conservation and Nuclear Safety (BMU). Berlin.
- Brang, P., W. Schönenberger, M. Frehner, R. Schwitter, J. J. Thormann, and B. Wasser. 2006. Management
 of protection forests in the European Alps: An overview. Forest Snow and Landscape Research
 80:23-44.
- Breidenbach, J., A. Granhus, G. Hylen, R. Eriksen, and R. Astrup. 2020. A century of National Forest
 Inventory in Norway informing past, present, and future decisions. Forest Ecosystems 7.
- EC. 2021. Communication from the Commission to the European Parliament, the Council, the European
 Economic and Social Committee and the Committee for the Regions. 'Fit for 55': delivering the
 EU's 2030 Climate Target on the way to climate neutrality. COM(2021) 550 final. Brussels.
- Eyvindson, K., R. Duflot, M. Triviño, C. Blattert, M. Potterf, and M. Mönkkönen. 2021. High boreal forest
 multifunctionality requires continuous cover forestry as a dominant management. Land Use Policy
 100:104918.
- Fahlvik, N., B. Elfving, and P. Wikström. 2014. Evaluation of growth functions used in the Swedish Forest
 Planning System Heureka.
- FMAF. 2015. National Forest Strategy 2025 Government Resolution of 12 February 2015. Publications
 of the Finnish Ministry of Agriculture and Forestry (FMAF) 6b/2015. Helsinki.
- FMAF. 2019. The National Forest Strategy 2025 an updated version Government Resolution of 21
 February 2019. Publications of the Finnish Ministry of Agriculture and Forestry (FMAF) 2019:17.
 Helsinki.
- FME. 2012. Saving Nature for People National action plan for the conservation and sustainable use of
 biodiversity in Finland 2013–2020, Publikation of the Finnish Ministry of the Environment (FME).
 Finland.
- FMME, FMAF, and FME. 2014. Finnish Bioeconomy Strategy Sustainable growth from bioeconomy.
 Publication of the Finnish Ministry of Employment and Economy (FMEE), Ministry of Agriculture
 and Forestry (FMAF), Ministry of the Environment (FME). Finland.
- Frank, S., C. Fürst, L. Koschke, A. Witt, and F. Makeschin. 2013. Assessment of landscape aesthetics Validation of a landscape metrics-based assessment by visual estimation of the scenic beauty.
 Ecological Indicators 32:222-231.

- Fridman, J., S. Holm, M. Nilsson, P. Nilsson, A. Ringvall, and G. Ståhl. 2014. Adapting National Forest
 Inventories to changing requirements the case of the Swedish National Forest Inventory at the
 turn of the 20th century.
- Fridman, J., and G. Ståhl. 2001. A Three-step Approach for Modelling Tree Mortality in Swedish Forests.
 Scandinavian Journal of Forest Research 16:455-466.
- Gao, T., A. B. Nielsen, and M. Hedblom. 2015. Reviewing the strength of evidence of biodiversity indicators
 for forest ecosystems in Europe. Ecological Indicators 57:420-434.
- Gjerde, I., M. Sætersdal, and H. H. Blom. 2007. Complementary Hotspot Inventory A method for
 identification of important areas for biodiversity at the forest stand level. Biological Conservation
 137:549-557.
- Hartikainen, M., K. Eyvindson, K. Miettinen, and A. Kangas. 2016. Data-Based Forest Management with
 Uncertainties and Multiple Objectives. Pages 16-29. Springer International Publishing, Cham.
- INNRC. 2015. SKOG22 Nasjonal Strategi for Skog- og Trenaeringen. Innovation Norway and Norway
 Research Council (INNRC). Oslo.
- 303 IPCC. 2006. Guidlines for National Greenhouse Gas Inventories. Volume 4. Agriculutre, Forestry and Other
 304 Land Use. <u>http://www.ipcc-nggip.iges.or.jp/public/2006gl/vol4.html</u>.
- Jones, C. D., J. K. Hughes, N. Bellouin, S. C. Hardiman, G. S. Jones, J. Knight, S. Liddicoat, F. M. O'Connor,
 R. J. Andres, C. Bell, K. O. Boo, A. Bozzo, N. Butchart, P. Cadule, K. D. Corbin, M. Doutriaux-Boucher,
 P. Friedlingstein, J. Gornall, L. Gray, P. R. Halloran, G. Hurtt, W. J. Ingram, J. F. Lamarque, R. M.
 Law, M. Meinshausen, S. Osprey, E. J. Palin, L. Parsons Chini, T. Raddatz, M. G. Sanderson, A. A.
 Sellar, A. Schurer, P. Valdes, N. Wood, S. Woodward, M. Yoshioka, and M. Zerroukat. 2011. The
 HadGEM2-ES implementation of CMIP5 centennial simulations. Geosci. Model Dev. 4:543-570.
- 311 Jost, L. 2006. Entropy and diversity. Oikos **113**:363-375.
- Kontula, T., and A. Raunio. 2019. Threatened Habitat Types in Finland 2018. Red List of Habitats Results
 and Basis for Assessment. Finnish Environment Institute and Ministry of the Environment,
 Helsinki.
- Kublin, E. 2003. Einheitliche Beschreibung der Schaftform Methoden und Programme –BDATPro.
 Forstwissenschaftliches Centralblatt 122:183-200.
- Kukkola, M., and J. Saramäki. 1983. Growth response in repeatedly fertilized pine and spruce stands on
 mineral soils. Commun. Inst. For. Fenn. **114**:1-55.
- Kurttila, M., T. Pukkala, and J. Loikkanen. 2002. The performance of alternative spatial objective types in
 forest planning calculations: A case for flying squirrel and moose. Forest Ecology and Management
 166:245-260.
- Larsson, S., T. Lundmark, and G. Ståhl. 2009. Possibilities for intensive growth of forest (MINT),
 Governmental task Jo 2008/1885.
- Lehtonen, I., A. Venäläinen, M. Kämäräinen, H. Peltola, and H. Gregow. 2016. Risk of large-scale fires in
 boreal forests of Finland under changing climate. Nat. Hazards Earth Syst. Sci. 16:239-253.
- Lind, T. 2007. Rekreationsindex-bestånd, Projekt: 2.3 Rekreation SLU, Umeå.
- Liski, J., T. Palosuo, M. Peltoniemi, and R. Sievänen. 2005. Carbon and decomposition model Yasso for forest soils. Ecological Modelling **189**:168-182.
- Mäkinen, H., J. Hynynen, J. Siitonen, and R. Sievänen. 2006. Predicting the decomposition of Scots pine,
 Norway spruce, and birch stems in Finland. Ecol Appl 16:1865-1879.
- Mäkisara, K., M. Katila, and J. Peräsaari. 2019. The Multi-Source National Forest Inventory of Finland –
 methods and results 2015. Natural resources and bioeconomy studies 8/2019. Natural Resources
 Institute Finland, Helsinki.
- Marttila, H., A. Lepistö, A. Tolvanen, M. Bechmann, K. Kyllmar, A. Juutinen, H. Wenng, E. Skarbøvik, M.
 Futter, P. Kortelainen, K. Rankinen, S. Hellsten, B. Kløve, B. Kronvang, Ø. Kaste, A. L. Solheim, J.

- 336 Bhattacharjee, J. Rakovic, and H. de Wit. 2020. Potential impacts of a future Nordic bioeconomy 337 on surface water quality. Ambio **49**:1722-1735.
- MCE. 2015. Natur for livet. Norsk handlingsplan for naturmangfold. Ministry of Climate and Environment
 (MCE). Oslo.
- McMurtrie, R. E., D. A. Rook, and F. M. Kelliher. 1990. Modelling the yield of Pinus radiata on a site limited
 by water and nitrogen. Forest Ecology and Management **30**:381-413.
- 342 Miettinen, K. 1999a. Nonlinear Multiobjective Optimization. Springer, Boston, MA.
- Miettinen, K. 1999b. A Posteriori Methods. Pages 77-113 Nonlinear Multiobjective Optimization. Springer
 US, Boston, MA.
- Miettinen, K. 1999c. A Priori Methods. Pages 115-129 Nonlinear Multiobjective Optimization. Springer
 US, Boston, MA.
- Miina, J., J.-P. Hotanen, and K. Salo. 2009. Modelling the abundance and temporal variation in the production of bilberry (Vaccinium myrtillus L.) in Finnish mineral soil forests.
- Miina, J., M. Kurttila, R. Calama, S. de-Miguel, and T. Pukkala. 2020. Modelling Non-timber Forest Products
 for Forest Management Planning in Europe. Current Forestry Reports 6:309-322.
- Mönkkönen, M., A. Juutinen, A. Mazziotta, K. Miettinen, D. Podkopaev, P. Reunanen, H. Salminen, and O. P. Tikkanen. 2014. Spatially dynamic forest management to sustain biodiversity and economic
 returns. Journal of Environmental Management 134:80-89.
- Müller, J., and R. Bütler. 2010. A review of habitat thresholds for dead wood: A baseline for management
 recommendations in European forests. European Journal of Forest Research 129:981-992.
- Nieminen, M., H. Hökkä, R. Laiho, A. Juutinen, A. Ahtikoski, M. Pearson, S. Kojola, S. Sarkkola, S.
 Launiainen, S. Valkonen, T. Penttilä, A. Lohila, M. Saarinen, K. Haahti, R. Mäkipää, J. Miettinen, and M. Ollikainen. 2018. Could continuous cover forestry be an economically and environmentally feasible management option on drained boreal peatlands? Forest Ecology and Management 424:78-84.
- Nieminen, M., T. Sallantaus, L. Ukonmaanaho, T. M. Nieminen, and S. Sarkkola. 2017. Nitrogen and
 phosphorus concentrations in discharge from drained peatland forests are increasing. Science of
 The Total Environment 609:974-981.
- NMAF. 2016. Verdier i vekst. Konkurransedyktig skog- og trenæring. Meld. St. 6 (2016 2017). Norwegian
 Ministry of Agriculture and Food (NMAF). Oslo.
- Ojanen, P., A. Lehtonen, J. Heikkinen, T. Penttilä, and K. Minkkinen. 2014. Soil CO2 balance and its
 uncertainty in forestry-drained peatlands in Finland. Forest Ecology and Management **325**:60-73.
- Pretzsch, H. 2009. Forest dynamics, growth and yield: from measurement to model. Berlin: Springer Verlag.
- Pretzsch, H., P. Biber, and J. Ďurský. 2002. The single tree-based stand simulator SILVA: construction,
 application and evaluation. Forest Ecology and Management 162:3-21.
- 372 Pukkala, T. 2017. Optimal nitrogen fertilization of boreal conifer forest. Forest Ecosystems **4**:3.
- Pukkala, T., S. Kellomaki, and E. Mustonen. 1988. Prediction of the amenity of a tree stand. Scandinavian
 Journal of Forest Research SCAND J FOREST RES 3:533-544.
- Pukkala, T., T. Nuutinen, and J. Kangas. 1995. Integrating scenic and recreational amenities into numerical
 forest planning. Landscape and Urban Planning **32**:185-195.
- Rasinmäki, J., A. Mäkinen, and J. Kalliovirta. 2009. SIMO: An adaptable simulation framework for
 multiscale forest resource data. Computers and Electronics in Agriculture 66:76-84.
- 379 SFA. 2015. National Forest Impact Analysis. SKA 15. Report 10. Swedish Forest Agency.
- 380 SFA. 2019. Forest management with new possibilities. Report 24. Swedish Forest Agency.
- Shannon, C. E., and W. Weaver. 1949. The mathematical theory of communication. Urbana, Ill. : University
 of Illinois Press.

- Tahvanainen, V., J. Miina, M. Kurttila, and K. Salo. 2016. Modelling the yields of marketed mushrooms in
 Picea abies stands in eastern Finland. Forest Ecology and Management **362**:79-88.
- Timonen, J., J. Siitonen, L. Gustafsson, J. S. Kotiaho, J. N. Stokland, A. Sverdrup-Thygeson, and M.
 Mönkkönen. 2010. Woodland key habitats in northern Europe: concepts, inventory and
 protection. Scandinavian Journal of Forest Research 25:309-324.
- Tolkkinen, M. J., J. Heino, S. H. K. Ahonen, K. Lehosmaa, and H. Mykrä. 2020. Streams and riparian forests
 depend on each other: A review with a special focus on microbes. Forest Ecology and
 Management 462:117962.
- Tuomi, M., R. Laiho, A. Repo, and J. Liski. 2011. Wood decomposition model for boreal forests. Ecological
 Modelling 222:709-718.
- Tuomi, M., T. Thum, H. Järvinen, S. Fronzek, B. Berg, M. Harmon, J. A. Trofymow, S. Sevanto, and J. Liski.
 2009. Leaf litter decomposition—Estimates of global variability based on Yasso07 model.
 Ecological Modelling 220:3362-3371.
- Turtiainen, M., J. Miina, K. Salo, and J.-P. Hotanen. 2013. Empirical prediction models for the coverage and
 yields of cowberry in Finland.
- Venäläinen, A., I. Lehtonen, M. Laapas, K. Ruosteenoja, O.-P. Tikkanen, H. Viiri, V.-P. Ikonen, and H. Peltola.
 2020. Climate change induces multiple risks to boreal forests and forestry in Finland: A literature
 review. Global Change Biology 26:4178-4196.
- 401 Vennesland, B., A. Eid Hohle, L. Kjøstelsen, and L. Gobakken. 2013. Prosjektrapport Klimatre.
 402 Energiforbruk og kostnader Skog og bioenergi. Ås.
- von Salzen, K., J. F. Scinocca, N. A. McFarlane, J. Li, J. N. S. Cole, D. Plummer, D. Verseghy, M. C. Reader, X.
 Ma, M. Lazare, and L. Solheim. 2013. The Canadian Fourth Generation Atmospheric Global
 Climate Model (CanAM4). Part I: Representation of Physical Processes. Atmosphere-Ocean
 51:104-125.
- Wierzbicki, A. P. 1986. On the completeness and constructiveness of parametric characterizations to
 vector optimization problems. Operations-Research-Spektrum 8:73-87.
- Wikberg, P.-E. 2004. Occurrence, morphology and growth of understory saplings in Swedish forests.
 Swedish University of Agricultural Sciences, Umeå, Sweden.
- Wikström, P., L. Edenius, B. Elfving, L. Eriksson, T. Lämås, J. Sonesson, K. Öhman, J. Wallerman, C. Waller,
 and F. Klintebäck. 2011. The Heureka Forestry Decision Support System: An Overview. MCFNS
 3:87-95.
- Wolfslehner, B., I. Prokofieva, and R. Mavsar, editors. 2019. Non-wood forest products in Europe: Seeing
 the forest around the trees. What Science Can Tell Us 10. European Forest Institute.
- Wong, W. K., I. Haddeland, D. Lawrence, and S. Beldring. 2016. Gridded 1 x 1 km climate and hydrological
 projections for Norway.
- 418