

Evaluation of Climate Change Impacts and Adaptation Options Using Risk-Based Hydro-Economic Model in Ajichay Basin, Iran

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1 **Evaluation of Climate Change Impacts and Adaptation Options Using Risk-Based Hydro-Economic Model**
2 **in Ajichay Basin, Iran**

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6 **Abstract**

7 Climate change is one of the main issues in the 21st century and has been felt in many regions of world such as the
8 Ajichay basin. The greatest impact of climate change is on the water resource sector. Projected changes in
9 precipitation, temperature and river runoff will largely affect the water cycle and hydrological systems with important
10 results for economic sector. Therefore, the current study aims to investigate the impact of climate and water
11 management scenarios on water resources, cropping patterns, yields, and profits of farmers using a hydro-economic
12 model. Quadratic risk programming was used for economic modeling, and WEAP-MABIA was applied for
13 hydrological modeling. The necessary data were collected from questionnaires completed by 210 farmers selected by
14 stratified random sampling during 2018. The HadCM3 model and LARS-WG downscaling were used to generate
15 daily climatic data under the emissions of A2, B1, and A1B scenarios. The results showed that climate change could
16 reduce the profit and employment rate in the agricultural sector and cause a shift in cropping patterns to crops with
17 low water requirements. In addition to the efficient use of allocated water, the application of increasing irrigation
18 efficiency scenario could raise farmers' profits, providing them with a better situation than the agricultural water
19 reduction scenario. Overall, the findings of the current study revealed that without changing the management strategies
20 there will be a considerable reduction in water resource and crop yield in near future.

21 **Keywords:** Adaptation, Ajichay Basin, Climate Change, Hydro-Economic Model, Quadratic Risk Programming,
22 WEAP-MABIA

23 **1. Introduction**

24 As an essential environmental issue in the 21st century, climate change has been the center of attention for many
25 scientists and researchers. Climate change affects agriculture, economy, forestry, industry, tourism, water, energy, and
26 even financial markets and insurance systems (Kemfert, 2009). However, agriculture depends on climate more than
27 in other sectors. In other words, climate is the main determining force of the place, resource, production, and the
28 efficiency of agricultural activities. Production is expected to be limited to more than half of arable land in the next
29 50 years with continued global warming (Cattivelli et al., 2008). It can be concluded that any type of climate change
30 in the future will affect agricultural products seriously on different levels and result in decreases in the total factor
31 productivity, farmer's incomes, cropping area, and the number of people involved in the agriculture sector (Gul et al.,
32 2019).

33 As agriculture is considered an economic activity for supplying food and guaranteeing perpetual food safety,
34 climate changes can harm the safety (FAO, 2012). Lakes as natural water sources are affected by climatic, hydrologic,

35 and geomorphologic changes, as well as human activities around their basins. Any change in alignment or area of the
36 lakes can affect the economy, agriculture, and other human activities around the lake (Cheng and Li., 2020).

37 Ajichay, as one of the main agricultural areas and a source of water consumption around the Lake Urmia, has lost
38 its efficiency as the supplier of water and is considered as the center of crisis due to changes in the climate, lack of
39 precipitation, and human factors, such as overuse of groundwater, inappropriate cultivation patterns, and the expansion
40 of economic sectors. Data were collected from Sarin Dizaj hydrometric station (the basin output station) and the long-
41 term (1986-2016) average of the annual output flow is 230 MCM from Ajichay basin. It is important to note that the
42 average annual output flow during 1986-1997 (before the decrease in the lake level) was 360 MCM, which decreased
43 to 100 MCM between 1998 and 2016. As recently approved by the Ministry of Energy in 2017, however, the
44 ecological water right of the lake supplied from Ajichay is set as 220 MCM annually, which is 120 MCM more than
45 the average annual outflow that should be provided from the basin (ULRP, 2018).

46 In 2015, Tabriz, Sarab, Bostan Abad, Heris, Azarshahr, Osku, and Shebestar included 23, 38, 12, 8, 7, 7, 3, and
47 2% of the whole irrigated cropping area around Ajichay, respectively. The share of Tabriz and Sarab in aquaculture
48 was 61% and, Sarab was considered as the main center of agriculture around the Ajichay basin. The biggest fruit trees
49 also belonged to Tabriz, Azarshahr, Sarab, and Osku, including 28, 17, 16, and 15% of the whole garden areas around
50 the basin. Having the main branches of Ajichay, Sarab has a more influential role in producing horticultural and
51 agronomy products and, thus, more water consumption. Therefore, managing water consumption in Sarab County is
52 suggested to resolve the decreased quality and quantity of water in the Ajichay basin.

53 The basin is also facing more water requirement due to the expansion of the region and changes in the climate;
54 there will be extra pressure on the Ajichay basin for supplying the necessary water. Management scenarios, such as
55 low irrigation of agricultural products, reducing the share of agricultural water, increasing the efficiency of irrigation,
56 and shifting cropping patterns to products with lower water consumption, can play an influential role in decreasing
57 water consumption and balancing water sources in the Ajichay basin.

58 Managing water resources requires a thorough consideration of all the elements and the interactions among human
59 activities, economy, earth, and water resources; in other words, it requires taking into account the economic, social,
60 and environmental factors (GWP, 2000). Thus, methods, such as the hydro-economic model, are appropriate for
61 policymakers to evaluate water resources (Blanco- Gutiérrez, 2013). It is also a suitable method for assessing the
62 effects of climate change on water and agriculture.

63 Currently, there are various research projects on the effects of climate change on agriculture and managing water
64 resources. As an instance, Tramblay et al. (2020) examined climate change impacts on water resources in the
65 Mediterranean, Zhang et al. (2017) studied the impact of climate change on the agriculture sector in China from 1980
66 to 2010, Veijalainen et al. (2010) investigated the impact of climate change on hydrology and water resources of
67 Vuoksi River in Finland, Tubiello et al. (2002) developed a model to investigate the effects of climate change on US
68 crop and many other studied that focused on the climate impact issues (Easterling et al., 2003; laux et al. 2010; wang
69 et al. 2012; Ahmad and Afzal, 2020).

70 The studies mentioned above have a focus on either the supply or demand management as an aspect of agricultural
71 water management. However, it is necessary to consider both aspects of supply and demand through hydro-economic

72 models, which have been the center of attention for many researchers studying the management of both the supply
73 and demand of agricultural water (Eamen et al. 2020).

74 Medellan-Azuara et al. (2010) studied a vast domain of options for managing the water systems in North California
75 and Mexico through a hydro-economic model. They claimed that the optimized hydro-economic model could evaluate
76 different options for water management and the allocation of water for various demands (agricultural, environmental,
77 and drinking water). Elsewhere, Kahil et al. (2015) applied the hydro-economic model to study the management
78 policies of efficient water and necessary adaptations with changes in the climate in the Jucar River basin. Their
79 findings revealed that drought negatively affected the environmental and agricultural activities and reduced social
80 welfare to a range of 63-138 million Euros. In addition, the study of water management policies revealed that the
81 establishment of water market was an appropriate management tool for confronting the economic effects of drought.

82 Using the hydro-economic model, Varela-Ortega et al. (2016) investigated the effects of climate change around
83 the Guadiana River basin. Based on their findings, a severe climate change would result in a 10-50% reduction in
84 available water, up to 20% decrease in the crop yield, and a 10-20% decrease in the income scenario, as well as up to
85 20% increase in the water requirement of the crops from 2010-2040.

86 Rafiei Darani et al. (2017) studied the effects of modifying the policies of marketing networks on the agricultural
87 products in Neishaboor plain using a hydro-economic model. They applied the WEAP model for the hydrologic
88 section and a positive planning model for the economic section. The findings revealed that modification in marketing
89 networks led to changes in the. Amin et al. (2018) studied the effects of climate change and social-economic scenarios
90 on the present and future water demands around the basin of the Indus River in Pakistan using a hydro-economic
91 model. A set of managing and climate scenarios were simulated for upstream Indus River from 2006 to 2050 using
92 the WEAP model. Their results indicated that a lack of attempt to change the available situation would result in more
93 water demand, increasing unmet demand up to 134 MCM.

94 Aien and Alizadeh (2021) developed a generic novel hydro-economic methodology for optimal planning of an
95 integrated development scheme. results show that optimizing irrigation-leaching schedule leads to significant
96 improvement of the economic value of water compared to the status quo, while construction and operation of structural
97 projects result in a dramatic decrease in the economic value of water due to increase in both costs and leaching-related
98 water usage.

99 Many of the studies based on the hydro-economic model assume a neutral risk for farmers and ignore high-risk
100 accidents in agricultural activities. A few studies have also demonstrated risk-aversion behavior among farmers
101 (Rosenzweig & Binswanger, 1992; Von Neuman & Morgenstern, 1994; Chavas, 2004), and some of others have
102 focused on the risk in the hydro-economic model (Varela-Ortega et al., 2011; Blanco- Gutiérrez, 2013; Foster et al.,
103 2014; Esteve et al., 2015; Exposito et al., 2020; Knowling et al., 2020). Most studies have benefitted from different
104 hydrologic models, such as MIKE BASIN, MODSIM, SWAT, and WaSIM. A few studies have applied WEAP along
105 with social-economic models. As an instance, Purkey et al. (2008) combined WEAP and econometric models for
106 estimating the effects of climate change on agricultural water. Additionally, Varela-Ortega et al. (2011) applied WEAP
107 and risk with an optimized economic model for evaluating climate uncertainty on groundwaters.

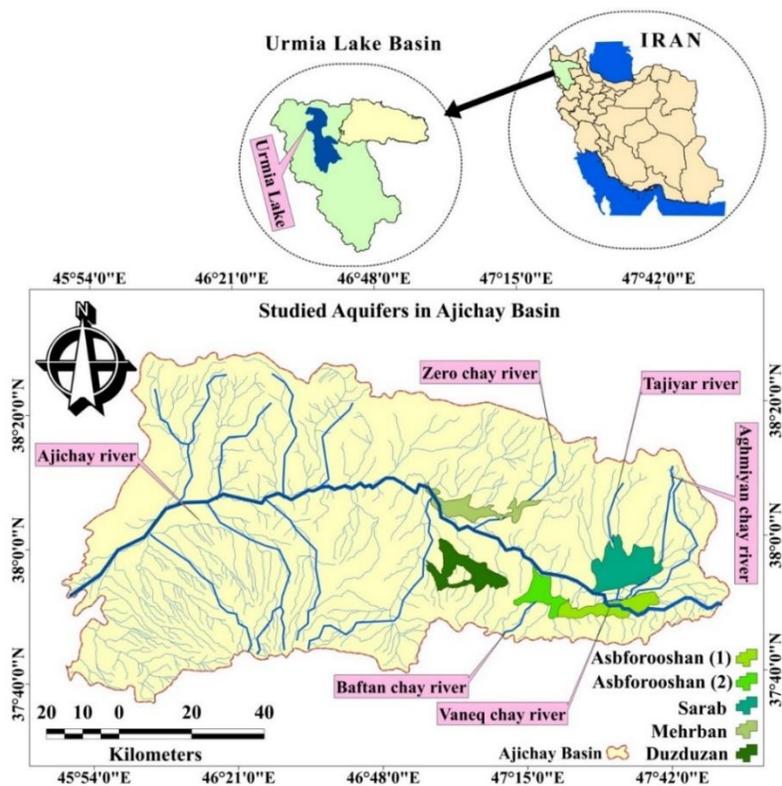
108 The review of studies revealed that local studies approached climate change from only economic or hydrological
 109 aspects. Thus, the focus of the current study is to evaluate the effects of climate change on agriculture using a hydro-
 110 economic model, which is very important from a management point of view. Ignoring hydrological issues in economic
 111 evaluation of climate change results a (more or less) deviation from limits in estimating the effects. The current
 112 research fills the gap by combining two water resources planning and mathematical planning models. Besides, similar
 113 local studies with common material and approaches (hydro-economic models) ignore the risk-aversion behavior of
 114 farmers and eliminate the risk factors from the hydro-economic model. Thus, the current study is novel because it
 115 adds the risk factor to this model.

116

117 **2. Material and method**

118 **2.1. Location**

119 The location of the current study was the Ajichay basin with an area of around 12600 km² as the biggest sub-basin
 120 of the Urmia Lake after the Zarrinerood sub-basin. It is located in the north-west of Iran (East Azerbaijan Province)
 121 and eastern part of Urmia Lake, with geographic coordinates of 46°45' and 46°45' E and 46°45' and 28°38' N.
 122 Tabriz, Azarshahr, Sarab, Bostan Abad, Heris, and Osku are the main urban areas around the Ajichay Basin. Based
 123 on the studies by the Regional Water Organization of East Azerbaijan, there are 10 main aquifers in this basin, among
 124 which Sarab, Asbforushan, Duzduzan, and a part of Mehraban aquifer are located in Sarab County (Fig. 1).



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Fig. 1. An Overview of the Ajichay Sub-basin

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To include the variations in farmers' habits, water resources, and fertility of lands, the Ajichay basin was divided into 36 plains. The first step was to determine the primary borders of agricultural lands and plains through agricultural statistics and information, boundaries of aquifers, and Google Earth. Totally, 36 plains and agricultural lands were determined around the basin of Ajichay. Then, the input areas (where rivers enter the plains and agricultural areas) in each agricultural area were determined using Google Earth, which was introduced as the output for upstream sub-basins (mountainous sub-basins) and that for downstream sub-basins throughout the process of extracting sub-basins in GIS environment. Therefore, mountain and plain areas were separated for all rivers and their branches to the extent of possibility.

There are two benefits to this process. Firstly, there is the possibility of separating the hydrologic modeling of mountainous areas from plains and the agricultural regions (slope areas) and estimating their variables separately, which will lead to an increase in the modeling accuracy and the estimation of variables (especially surface runoffs, evaporation, and water transpiration). Secondly, it allows the determination of input flow to each plain and agricultural area through modeling.

2.2. The hydro-economic model

Generally, hydro-economic models include hydrologic and economic elements. Thus, the main framework of the current study is patterned based on these two elements. Both economic (Mathematical Programming Method, MPM) and hydrologic (WEAP-MABIA) models were performed separately, while the output of one model was used as an input for the other model. The next section explains the properties of each model and selected scenarios.

2.3. The economic model

MPM is an optimization model that shows farmers' behaviors in risky situations through a risk-based quadratic risk programming (QRP) method. In this model, the optimal amount of land is determined for allocating to different products. The purpose of this model is to maximize the expected farmers' utility to some technical and structural restrictions. MPM is widely used to analyze managing agricultural resources and decision-making about cropping patterns (Varela-Ortega et al., 2011; Blanco- Gutiérrez et al., 2013; Esteve et al., 2015). It is considered an appropriate model for the analysis of issues related to agriculture and natural resources as it represents the relationship between economic elements (such as costs and incomes) and physical and environmental elements of farms (such as limitation in natural resources or pollution caused by production) (Buisse et al. 2007).

The objective function (Equation 1) shows the maximum expected utility of farmers, which is calculated by subtracting the risk element from the net income (Z) for each crop (Hazell & Norton, 1986). This model not only includes the farmers' goals and limitations, but can also involve the amount of beliefs about the risk perceptions and risk attitudes. According to Hazell and Norton (1986), it is possible to calculate the risk aversion coefficient of farmers through creating a planning model and changing the risk-aversion parameter of farmers. The risk aversion coefficient of farmers is an amount of risk-aversion parameter that minimizes the difference between the proposed program and the current program.

162 The risk element is a combination of farmers' risk-aversion coefficient (φ) and the standard deviation of income
 163 distribution ($\varphi(Z)$) caused by a set of natural, climatic, and marketing variables. To separate parameters from
 164 variables, the latter and the former are respectively presented in capital and small letters:

$$\text{Max } U = Z - \varphi \cdot \sigma(Z) \quad [1]$$

165 The risk-aversion coefficient of farmers shows the risk attitude of farmers while selecting between profiting and
 166 risk aversion. Risk-neutral farmers ($\varphi = 0$) try to maximize their profits and cultivate profitable and high-risk crops.
 167 Risk-averse farmers ($\varphi > 0$) reject any risk, try cultivating crops with low risk, and sacrifice part of their profit to
 168 risk. Several theoretical studies (Friedman & Savage, 1948; Von Neuman & Morgenstern, 1944) and many
 169 experimental studies (Binswanger, 1980; Chavas, 2004) have shown that most farmers prefer risk aversion and try
 170 maximizing the utility instead of maximizing the profit. Ignoring farmers' risk-aversion behavior makes unrealistic
 171 and unacceptable results for management programs (Hazell & Norton, 1986).

172 Equation 2 calculates the farm income, where gm_{jr} is the gross profit per crop (j) and technique (r), which comes
 173 from the difference between incomes (cost multiplied by yield) and production costs. X_{jr} is the area under
 174 cultivation, fco is the family's opportunity cost, $flab_p$ is the number of family's labor, hlw is hired labor wage,
 175 $hlab_p$ is the number of hired labor, wpm^3 is the volumetric price of water, WC is the amount of water used in the
 176 farm, $wpha$ is the irrigation water fee paid per hectare, and $sirrg$ is the irrigated area in the farm (Esteve et al., 2015).

$$z = \sum_j \sum_r gm_{jr} \cdot X_{jr} - fco \sum_p flab_p - hlw \cdot \sum_p hlab_p - wpm^3 WC - wpha \cdot sirrg \quad [2]$$

177 The above maximizing function has some constraints, such as water limitation (the most affecting factor due to
 178 climate change), which are presented in Equations 3-8:

$$\sum_{j=1}^J \frac{w_{jsr}}{eff_r} x_{js} \leq W_s \quad \forall s \quad [3]$$

$$\sum_{j=1}^J l_{js} x_{js} \leq L_s \quad \forall s \quad [4]$$

$$\sum_{j=1}^J m_{js} x_{js} \leq M_s \quad \forall s \quad [5]$$

$$\sum_{j=1}^J f_{tjs} x_{js} \leq F_{ts} \quad \forall t, s \quad [6]$$

$$\sum_{j=1}^J pe_{zjs} x_{js} \leq PE_{zs} \quad \forall z, s \quad [7]$$

$$\sum_{j=1}^J \sum_{s=1}^S Sch_{js} x_{js} \leq A \quad [8]$$

179 Inequality (3) indicates water use restrictions. In this constraint, W_{jst} is the water required during the season s . eff_r
 180 is the irrigation efficiency in per region (r), and W_s is the total available water (m^3) during season s . In inequality 4,
 181 I_{js} shows the number of hired labor for one-hectare cultivation of crop j in season s , and L_s shows the total available
 182 labor during season s . Inequality 5 is related to the periods of using agricultural machinery, in which m_{js} shows the
 183 hours of using machineries in one hectare of crop j in season s , and M_s shows total available hours of agricultural
 184 machinery during season s .

185 Inequalities (6) and (7) are about fertilizers and pesticides, respectively. F_{ts} shows total available fertilizer of type
 186 (t) during season s , and PE_{zs} is applied for total available pesticide of per type of it (z) during s . Constraint 8 is about
 187 land in which A shows total farmland area and Sch_j denotes cropping area per crop (j) in season s . Farmers' risk
 188 aversion is used for model calibration. The accuracy of the calibrated model was estimated by the percentage of
 189 absolute deviation (PAD) calculated through Equation (9).

$$PAD = \frac{\sum_{c-n}^n |\bar{X}_c - X_c|}{\sum_{c-n}^n \bar{X}_c} \times 100 \quad [9]$$

190 In this equation, \bar{X}_c is the observed (%) and stimulated (%) amount. The proper calibration happens when PAD
 191 approaches zero. Model validation is done using statistical parameters for comparing the simulated and observed land
 192 and labor.

193 **2.4. The hydrologic model**

194 There are various models for estimating the water condition in the basin level in the hydrologic section. For
 195 choosing the right model, however, one should pay attention to available data and facilities, model structure, and its
 196 connection to other sections. Due to the availability of the software, various capabilities, and the possibility of using
 197 it along with economic modeling, WEAP is an appropriate model in hydro-economic modeling, which was also
 198 highlighted in related literature. The current research applied MABIA in WEAP for simulating daily
 199 evapotranspiration and estimating the yield and water requirement of crops (Allen, 1998). MABIA uses a two-part
 200 crop coefficient (K_c) described in FAO-56, in which K_c is divided into two crop coefficient base (K_{cb}) and a secondary
 201 factor, called evaporation coefficient (K_e), which shows the evaporation from soil surface. When the surface of soil
 202 is dry, but there is considerable moisture in the root area that can compensate for the evaporation of the crop, the base
 203 crop coefficient shows a real ET situation (Sieber & Purkey, 2011). MABIA generates daily data while WEAP
 204 generates data on a monthly basis. Thus, daily data generated by MABIA are calculated for monthly use of WEAP.

205 The hydrologic model (WEAP-MABIA) is calibrated based on parameters such as soil water capacity, deep water
 206 capacity, runoff resistance factor, rootzone conductivity, deep conductivity, and preferred flow direction. The validity
 207 of the model is tested after the calibration stage to examine the capability of the model for making correct predictions.
 208 Keeping the fixed variables and calibrated parameters constant, the outcomes of the model are compared to observed
 209 data from other periods. Calibration is done manually through statistical parameters for comparing observed and

210 simulated models. The accuracy is also tested using Nash Sutcliffe coefficient (NASH) and error of bias (Blanco-
 211 Gutiérrez et al., 2013)

$$NASH = 1 - \frac{\sum_{i=1}^n (Q_{s,i} - Q_{o,i})^2}{\sum_{i=1}^n (Q_{o,i} - \bar{Q}_o)^2} \quad [10]$$

$$BIAS = 100 \times \frac{\bar{Q}_s - \bar{Q}_o}{\bar{Q}_o} \quad [11]$$

212 In this formula, \bar{Q}_s and \bar{Q}_o are simulation and estimated values, respectively. Also, $Q_{s,i}$ and $Q_{o,i}$ are simulation
 213 and observed values according to i as the time and n as the number of observations. Calibration is considered
 214 appropriate when BIAS approaches zero and Nash moves toward 1.

215 **2.5. Model integration**

216 The hydrological and economic models run independently; however, the output of one model is used as an input
 217 for the other one (Mainuddin et al., 2007; Maneta et al., 2009). The hydro-economic model starts with the economic
 218 model, and optimal cropping pattern (X_{jr}) is obtained through maximizing expected utilities of farmers in Quadratic
 219 risk programming. The estimated cropping pattern is used as the input for WEAP model and MABIA estimates the
 220 water requirement, water allocation, and crop yield.

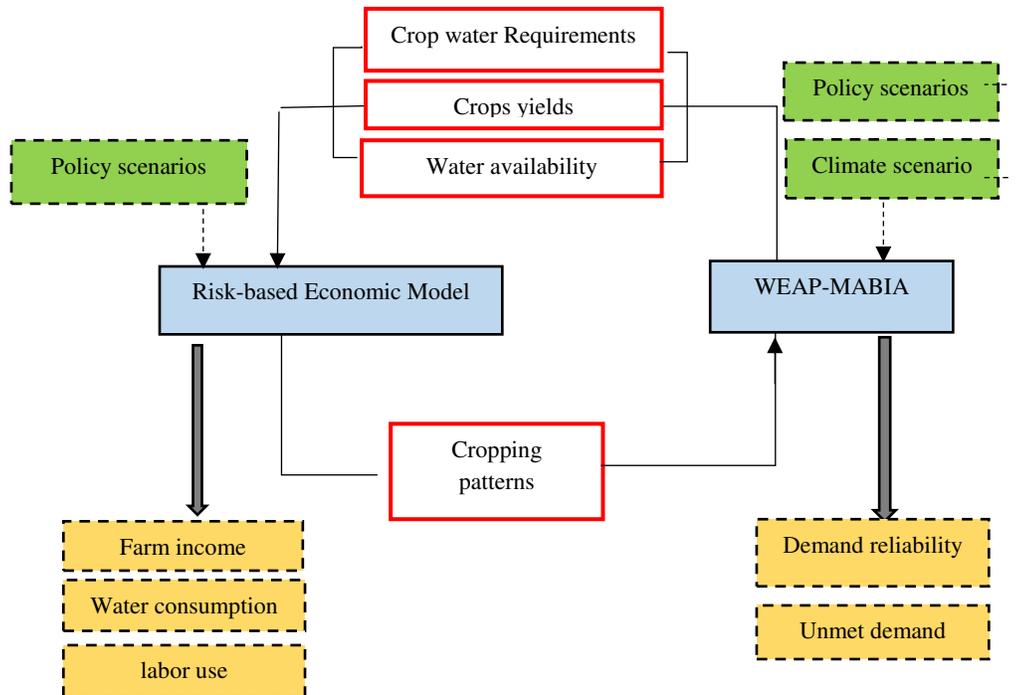


Fig. 2. An overview of the hydro-economic model

221

222 MPM is run again after the first simulation of the hydro-economic model. The economic model determines the
 223 optimal cropping patterns based on the outcome of WEAP model for the new conditions. The adjusted cropping pattern
 224 is then used as an input for WEAP model to determine water allocation, demand supply, and water requirements under
 225 the new conditions. The process frequently continues to find a cropping pattern by which the hydrologic system is
 226 able to supply the water requirement of crops. Figure 2 represents the conceptual relationship between the hydrological
 227 and economic models.

228 Increasing irrigation efficiency through implementing a change in irrigation systems from surface to pressurized
 229 irrigation is one decided scenario for managing water resources. It is assumed that j crop in i location is irrigated by
 230 surface irrigation method. Considering the amount of evapotranspiration during irrigation seasons as ET_{actj} , and the
 231 whole irrigation efficiency as $EF_{irrsurfj}$, the irrigation water consumption of the crop ($V_{irrsurfj}$) is calculated as:

$$V_{irrsurfj} = \frac{ET_{actj}}{EF_{irrsurfj}} \quad [12]$$

232 As the main goal of the current research is to reduce water consumption in agriculture, it is assumed that the
 233 amount of the actual evapotranspiration of crops in the suggested management scenarios is equal to actual
 234 evapotranspiration of crops in the current condition. The irrigation efficiency of the crop will increase from $EF_{irrsurfj}$
 235 to EF_{irrpzj} by changing the irrigation system from surface to pressurized system. Thus, the water consumption of j for
 236 the crop is calculated through:

$$V_{irrpzj} = \frac{ET_{actj}}{EF_{irrpzj}} \quad [13]$$

237 V_{irrpzj} is the amount of water consumption of j for the crop in pressurized irrigation scenario, and EF_{irrpzj} is the
 238 efficiency of whole irrigation during pressurized irrigation. Thus, the amount and percentage of reduction in water
 239 consumption for producing crop j in a scenario of improvement irrigation system from surface to pressure are equal
 240 to:

$$\Delta V_{irrpzj} = \frac{ET_{actj}}{EF_{irrsurfj}} - \frac{ET_{actj}}{EF_{irrpzj}} \quad [14]$$

$$PV_{irrpzj} = \frac{\frac{ET_{actj}}{EF_{irrpzj}} - \frac{ET_{actj}}{EF_{irrsurfj}}}{\frac{ET_{actj}}{EF_{irrsurfj}}} \times 100 = \frac{(EF_{irrsurfj} - EF_{irrpzj})}{EF_{irrpzj}} \times 100 \quad [15]$$

241 ΔV_{irrpzj} is the amount of reduction in water consumption for j as a crop due to the substitution of surface irrigation
 242 with pressurized irrigation (EF_{irrpzj}). The PV_{irrpzj} variable shows the percentage of reduction.

244 The study of the effects of climate change in local scale is dependent on the estimation of the future climate. Such
 245 estimates are done through climate models, and more importantly, by General Circulation Models (GCM). The current
 246 study applied HadCM3 as the general circulation model. LARS-WG was used for downscaling climatic generator and
 247 for producing rainfall, radiation, and minimum and maximum temperatures in a station under current and future

248 climatic conditions on a daily basis. Also, LARS-WG was applied for producing daily microscale data under A2, B1,
 249 and A1B emission scenarios. All required variables, such as information about input values, production quantities,
 250 and economic information (crop price, fertilizer, pesticides, labor, etc.) were collected from 210 questionnaires filled
 251 by farmers during 2018. The questionnaire included five products, including rainfed wheat, rainfed barley, potato,
 252 alfalfa, and bean, which were selected through stratified random sampling. The data and information about the current
 253 status and other information of the area were provided by the Agriculture Organization of Sarab. The quadratic risk
 254 programming (QRP) was solved in an optimizer software (GAMS). Furthermore, a part of data that covered climatic
 255 factors for previous 30 years was collected from the East Azerbaijan Meteorological Organization.

256 3. Results

257 Climate change scenarios were simulated using the LARS-WG model with three emission scenarios of A2, B1,
 258 and A1B for the period between 2018 and 2050. The results showed that the average rainfall decreased in the range
 259 of 21-38% under the emission scenarios of A2, B1, and A1B during 2018-2050 period. In the next period of 2018-
 260 2050, the average annual temperature will also increase by 2.5 °C compared to the baseline period under A2 scenario.
 261 This value is slightly lower for B1 and A1B scenarios and under these scenarios, the average annual temperature will
 262 increase by 2.4 and 1.7 °C, respectively compared to the baseline. Among the three greenhouse gas emission scenarios,
 263 A2 was recognized as the most severe emission scenario.

264 The current study used WEAP model for simulating the hydrologic condition of the Ajichay basin. Table 1
 265 illustrates the area under cultivation for each crop during the base year 2018. Wheat includes the largest cultivation
 266 area, whereas bean has the smallest cultivation area. Changes in the crop area due to climate change show that the
 267 biggest change in the cropping area belongs to A2. Alfalfa had the greatest reduction in the cropping area in Sarab
 268 plain, which was due to its high-water requirement. As result of climate change, therefore, the cropping area of alfalfa
 269 will decrease to 52.8% under the A2 scenario. Although potato has a high-water requirement, it has a less reduction
 270 in the cropping area due to its high profit. Barley and wheat revealed 48.5 and 131.5% increases in cropping areas due
 271 to their lower water requirements. In the second and third scenarios (B1 & A1B), there is also a reduction in the area
 272 under cultivation for potatoes, alfalfa, and beans, and an increase for the cultivation of wheat and barley.

273 **Table 1** Changes in cropping area under climate change scenarios (%)

Aquifer	Crop	Cropping area	The percentage of variation under climate change scenarios		
		Base year	A2	B1	A1B
Sarab	Wheat	5209	+48.5	+39.4	+37.4
	Barley	1535	+131.5	+108.3	+112.2
	Alfalfa	6502	-52.8	-46.1	-49.4
	Potato	2356	-38.3	-31.1	-33.7
	Bean	548	-38.1	-33.2	-31.4
Asbforushan1	Wheat	4588	+13.8	+5.1	+5.1

	Barley	1183	+34.6	+26.9	+27.3
	Alfalfa	2747	-35.6	-28.5	-28.3
	Potato	269	-19.1	-21.2	-21.2
	Bean	62	-22.9	-16.6	-20.3
Asbforushan2	Wheat	1254	+9.9	+5.3	+7.1
	Barley	406	+43.6	+21.6	+36.3
	Alfalfa	895	-24.6	-17.9	-18.3
	Potato	262	-27.7	-22.1	-26.6
	Bean	55	-44.1	-39.7	-40
Duzduzan	Wheat	2629	+1.1	-4.2	-2.2
	Barley	636	+61.4	+49.4	+54.6
	Alfalfa	683	+37.1	+12.3	+25.7
	Potato	1612	-20.6	-23.6	-23.4
	Bean	480	-71.1	-68.3	-63.6
Mehraban 1	Wheat	1721	+7.4	+5.2	+5.8
	Barley	444	+47.5	+45.4	+48
	Alfalfa	1002	-9.3	-12.7	-8.7
	Potato	567	-25.3	-18.9	-22.3
	Bean	118	-86.9	-79.5	-77.3

274

275 Table 2 shows changes in crop yield under climate change scenarios. The results of simulations revealed that the
276 crop yields would undergo a decrease after climate change scenarios compared to the baseline. The most considerable
277 yield reduction belongs to the A2 scenario in which potato will have the highest yield reduction of 17%. The crop
278 yields of barley and wheat shows a slight reduction suggesting the appropriate climatic condition, such as average
279 temperatures and the length of growing season. Thus, these two products have larger cropping areas in the climatic
280 scenarios. Climate change will affect plant growth by temperature rise and low rainfall. Therefore, changes in the
281 climate and an increase in the temperature are serious future threats to the crop yield and farmers' incomes, resulting
282 in a lack of motivation to produce.

283 **Table 2** Changes in crop yield and water requirement under climate change scenarios (%)

crops	Baseline		A2 Scenario		B1 Scenario		A1B Scenario	
	Yield (Tone)	Water requirement (M ³)	Yield (% Δ)	Water requirement (% Δ)	Yield (% Δ)	Water requirement (% Δ)	Yield (% Δ)	Water requirement (% Δ)
Wheat	5.16	3923	-9.5	+8.3	-7.1	+6.7	-8.3	+7.9
Barley	3.23	3923	-8.8	+7.2	-5.4	+6.2	-5.3	+6.7

Potato	27.61	7584	-17	+11	-9.6	+9.5	-13	+10.5
Alfalfa	10.68	6904	-11	+9.8	-7.5	+8.8	-8.7	+9.4
Bean	2.5	5591	-13	+14	-10.9	+11.5	-11.5	+12.8

284

285 According to the table 2, the water requirement of the crops under under climate change scenarios will increase
 286 during the 2018-2050 period. The A2 emission scenario will lead to maximum water demand. Compared to the
 287 baseline, for instance, the water requirement of beans will have an increase of 14% after the A2 emission scenario,
 288 which will increase the water requirement from 5591 m³ to 6375 m³ per hectare. Compared to the other products, the
 289 water requirement of barley shows a small increase, suggesting its adaptability to the climate.

290 Table 3 represents the outcome of applying the climate change scenario and its effects on the amount of available
 291 water and the degree of reliability for supplying water for agricultural areas during 2018-2050. It is apparent from
 292 Table 3 that climate change results in a decrease in available water and water supply reliability for agricultural
 293 purposes. The available water for irrigation areas had 21.92% decrease after applying the climate change scenario.
 294 More specifically, there was 31.01% decrease in the available water in Asbforushan 2 area, while Sarab witnessed
 295 12.29% decrease. The reason for such a reduction in Asbforushan 2 area is the location, which is placed downstream
 296 of the Ajichay basin, and the intensified effects of climate change on water availability.

297 **Table 3** The comparison of available water and the reliability in baseline and climate change scenarios

Aquifer	Irrigation efficiency	Baseline		A2 Climate Change Scenario	
		Available water (mm ³)	Reliability (%)	Available water (% Δ)	Reliability (%)
Sarab	41	132.57	93.68	-12.29	74.31
Asbdorushan 1	41	66.6	89.34	-18.21	76.71
Asbforushan 2	41	21.9	71.42	-31.01	55.71
Duzduzan	44	45.6	83.12	-25.81	75.41
Mehraban 1	43	34.43	87.10	-22.32	62.35
Average	42	60.22	84.93	-21.92	68.89

298

299 Table 3 presents the system percentage of reliability in supplying the demand of each aquifer during the climate
 300 change scenario (A2). Based on the findings, it is assumed that there is 74.31% probability for supplying the demand
 301 of Sarab aquifer if the future years continue to have a decrease in rainfall and an increase in the temperature. Also,
 302 supplying the demands in Asbforushan1 is possible with a probability of 76.71%. Furthermore, the probabilities of
 303 supplying the water demands of Asbsforushan2, Duzduzan, and Mehraban are 55.71%, 75.41%, and 62.35%,
 304 respectively. This result indicates a weak probability of supplying water for agricultural purposes and highlights the
 305 high pressure that climate change can put on agriculture. Furthermore, the mean for water supply reliability in the sub-
 306 basin decreased from 84.93% to 62.35%.

307 The second column of Table 3 presents the irrigation efficiency for each agricultural area. The average irrigation
 308 efficiency of the area is equal to 42%, and Duzduzan and Mehraban have the highest averages of 44% and 4%,
 309 respectively. Based on the data at the country level, the average efficiencies for pressurized and surface irrigation
 310 systems are 66.6 and 53.6%, respectively. Moreover, comparing the various methods of pressurized irrigation reveals
 311 that the average irrigation efficiencies in sprinkler and drop irrigation methods are 62.1% and 77.1%, respectively.
 312 Comparing the basin irrigation efficiency with the country average indicates a low efficiency level at the basin. Thus,
 313 applying modern irrigation methods with a higher efficiency, such as expanding pressurized irrigation, is suggested
 314 as a method to prevent climate change. Thus, 25% optimization in the efficiency of irrigation (which is the difference
 315 between the efficiency value of the basin and the country) as a scenario is introduced as an adaptive strategy for
 316 reducing the effects of climate change in all agricultural areas.

317 In the next step, the effects of water resource management scenarios were calculated on profits, cropping patterns,
 318 and the employment of agricultural labor. The scenarios include a 20% reduction in agricultural water consumption
 319 and an increase in the irrigation efficiency. Table 4 presents the percentage of variation in profits during the
 320 implementation of the scenario of reducing the share of water in agricultural sectors, as well as the application of the
 321 scenario following climate change. It is clear from Table 4 that the profit in each region will decrease compared to the
 322 baseline by applying the agricultural water reduction scenario of along with the climate change. The highest reduction
 323 in profit levels belongs to the simultaneous application of agricultural water reduction and A2 emission scenarios.
 324 Compared to the baseline, the profit in agricultural area of Duzduzan reveals 18% decrease following the agricultural
 325 water reduction and A2 emission scenarios. The highest reduction rate belongs to Asbforushan 2 area with 28% decline
 326 compared to the baseline. There are many reasons for the decrease in profits, including reductions in crop yields as a
 327 result of climate change or decreases in cropping areas of profitable products (potato, bean or alfalfa). Table 4 shows
 328 the percentage changes in farmer's profit during the implementation of the agricultural water reduction scenario and
 329 applying this scenario following climate change.

330 **Table 4** Changes in farmers profit under agricultural water reduction scenario compared to the baseline (%)

	Agricultural water reduction scenario	Agricultural water reduction scenario along with climate change scenario		
		A1	B2	A1B
Aquifer				
Sarab	-12	-22	-16.4	-19
Asbforushan 1	-16	-20	-16.8	-17.4
Asbforushan 2	-18	-28	-20.1	-22.3
Duzduzan	-13	-18	-17.2	-17.3
Mehraban 1	-8	-15	-11.1	-13.3

331
 332 Table 5 presents the profits in each sub-basin following increasing irrigation efficiency scenario (EFF) in baseline
 333 and climate change scenarios (CC). The profit in all the sub-basins under investigation had a rise after increasing the
 334 irrigation efficiency. For instance, there is a 16% increase in profits in the Duzduzan area compared to the baseline.
 335 The lowest profit increase belonged to Sarab and Asbforushan 2 areas, which had 18% and 12% increases,

336 respectively. The data in Table 5 reveals that implementing this scenario along with climate change can cause a profit
 337 increase. Thus, increasing irrigation efficiency will not only help the efficient use of water but will also maintain the
 338 welfare of farmers in each area by guarantying sufficient profits.

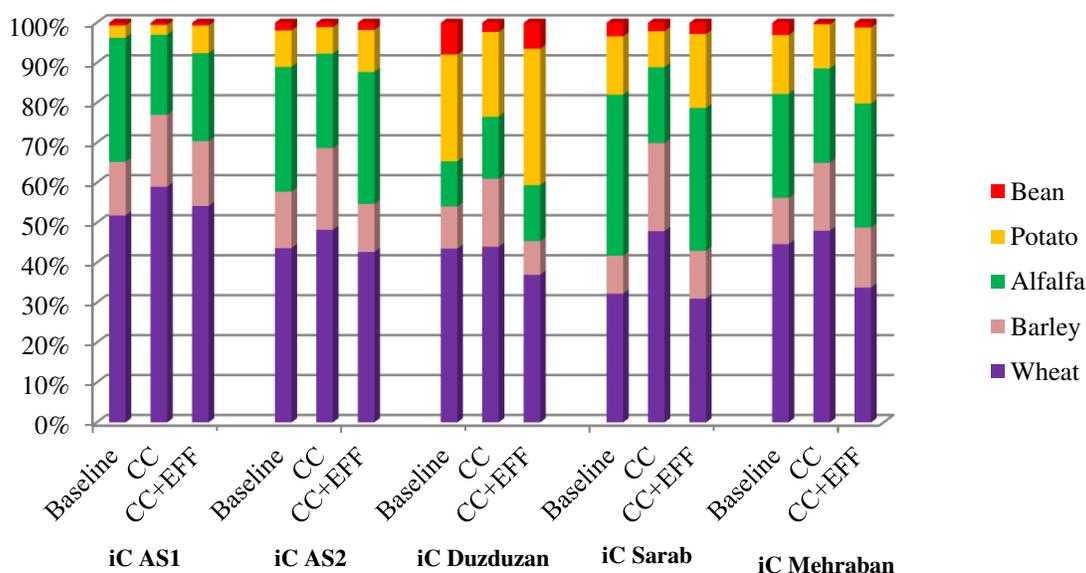
339

340 **Table 5** Changes in farmer's profit under increasing irrigation efficiency scenario compared to the baseline (%)

Aquifer	Increasing irrigation efficiency scenario along with the climate change scenario			
	Increasing irrigation efficiency scenario	A2	B1	A1B
Sarab	+18	+9	+12	+11
Asbforushan 1	+13	+6.1	+11	+7.3
Asbforushan 2	+12	+1.4	+3.3	+3.2
Duzduzan	+16	+3.8	+8.9	+7.6
Mehraban 1	+15	+10.3	+11.2	+9

341

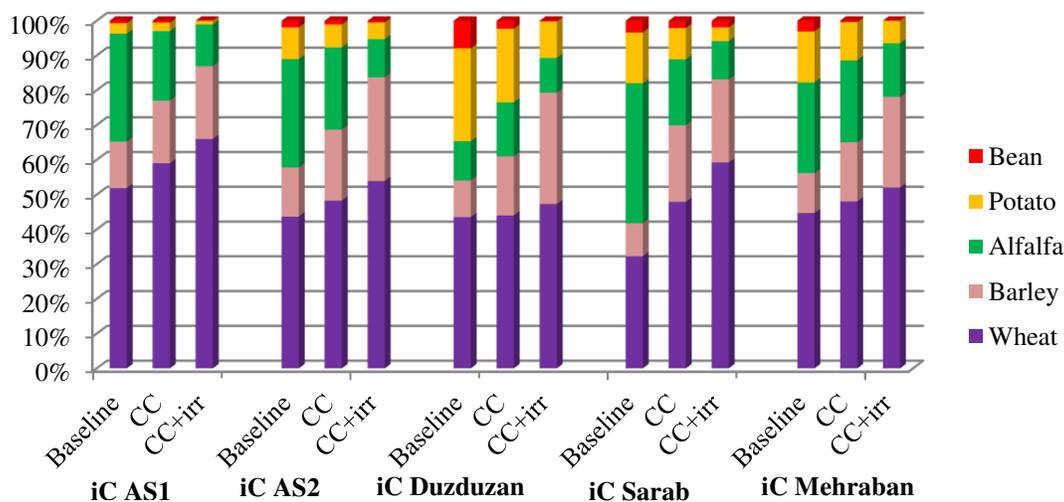
342 Figure 3 presents the share of crops in the baseline, climate change, and climate change along with increasing the
 343 irrigation efficiency scenarios. The figure indicates that farmers reduced water demand, tried changing the cropping
 344 patterns to wheat and barley, and limited the cultivation of alfalfa, bean, and potato in the climate change scenario
 345 compared to the baseline. The simultaneous implementation of the climate change and increasing irrigation efficiency
 346 scenarios causes the expansion in the cultivation of potato, beans, and alfalfa compare to the baseline. Generally, the
 347 implementation of this scenario will cause an increase in farmers' profits and a decrease in water consumption.



348

349 **Fig. 3.** Changes in cropping pattern under increasing irrigation efficiency scenario (%)

350 Compared to the baseline and climate change scenarios, the cropping pattern has changed in the agricultural water
 351 reduction (irr) scenario. As illustrated in Figure 4, the cropping pattern in the climate change scenario has moved
 352 toward crops with less water consumption. However, the simultaneous implementation of the climate change and
 353 agricultural water reduction scenarios has caused a decrease in the cultivation of crops with more water consumption.
 354 Although potato requires more water requirement than beans and alfalfa, it had a low reduction in area under
 355 cultivation due to high profits for farmers. In general, the cropping pattern is moving toward crops with less water
 356 requirement and more profits.



357 **Fig. 4. Changes in cropping pattern under agricultural water reduction scenario (%)**
 358

359 It is essential to study labor employment to predict the possible risk of losing jobs among farmers in case of severe
 360 climate change and reduction in agricultural water without considering substitute work opportunities. Table 6 shows
 361 changes in agricultural employment under management scenarios. Sarab has the greatest number of labors in the
 362 agricultural sector compared to other ones. Compared to the other parts of the basin, Sarab share of employment in
 363 agricultural work is 3.9 times more than the average in the other parts of the basin. Generally, it can be concluded
 364 that agriculture in Sarab city is more dependent on the Ajichay basin.

365 **Table 6** Changes in agricultural employment under management scenarios compared to the baseline (%)

Aquifer	A2	Agricultural water reduction scenario	Increasing Irrigation efficiency scenario	Agricultural water reduction and A2 scenarios	Increasing Irrigation efficiency and A2 scenarios
Sarab	-18	-7	-13	-23	-28
Asbforushan 1	-11	-4	-7	-12	-16
Asbforushan 2	-9.9	-4.5	-6	-14	-14.5
Duzduzan	-14.5	-6	-9	-16	-20

Mehraban 1	-19	-8	-9.5	-21	-26
Average	-14.48	-5.9	-8.9	-17.2	-20.9

366

367 Implementing the A2 scenario results in a 14.48% decrease in the average of agricultural employment in the area.
 368 The agricultural water reduction scenario alone results in a 5.9% decrease in labor, whereas the increasing irrigation
 369 efficiency scenario has an 8.9% decrease. Applying the agricultural water reduction scenario along with climate
 370 change reduces the employment by 17.2% in the region by reducing the area under cultivation of crops that require a
 371 lot of labor. The increasing irrigation efficiency scenario also results in a 20.9% reduction in the labor employment.
 372 Maximum reduction rate in the labor employment belonged to Sarab after the application of agricultural water
 373 reduction and improving irrigation efficiency scenarios (23% and 28%, respectively) along with the emission of A2.

374

375 4. Conclusions

376 The current study aimed at filling the gap in the literature regarding the estimation of the effects of climate change
 377 on the agriculture subsector by suggesting a hydro-economic model. Based on the findings, climate change will bring
 378 about an increase in the temperature and a decrease in rainfalls, resulting in water decline in aquifers and discharge of
 379 the Aajichay River. The limited available water will cause a change in the cropping pattern and a reduction in the
 380 cultivation of water-consuming crops. Generally, there will be a shift toward crops with low water consumption and
 381 high profits. In line with the findings of the current study, a study by Maneta et al. (2009) revealed that farmers
 382 minimized the effects of decreased rainfalls by observing their profits. The findings of Morid and Bavani (2010)
 383 suggested that changing cropping patterns was the farmers' best response to the limited water condition.

384 Among the studied crops, beans had the highest reduction in the cultivation, which stemmed from its high-water
 385 requirement. However, potatoes also had a high-water requirement compared to beans but maintained a high cropping
 386 area due to higher gross profits. These findings are also confirmed by Lee et al. (2001), who concluded that during
 387 drought, farmers would shift to crops that require less water and worth more than a unit of water. Also, the economic
 388 effects are different depending on different crops. The findings of the current study revealed that wheat and barley
 389 had more resistance against the effects of climate change, and that shifting the patterns of cropping was an adaptive
 390 strategy for coping with the effects of climate change.

391 Climate change reduces labor employment. Additionally, the limited cultivation of crops (e.g. potatoes and beans)
 392 that require more labor leads to a decline in engaging agricultural workforce. Furthermore, there is no permission for
 393 changing the usage of agricultural lands; thus, farmers have to leave the lands and start illicit businesses, which bring
 394 about negative social consequences. A study by Salami et al. (2009) indicates a decline in the agricultural workforce
 395 of Iran, which is also confirmed in other studies (Qureshi et al., 2014; Esteve et al., 2015)

396 The optimization of irrigation efficiency is essential as it is related to the important issue of water investment. The
 397 average irrigation efficiency of the area is 42%, which can be further optimized in the future. It is claimed that
 398 increasing the irrigation efficiency is an effective way, which can minimize the effects of climate change and help to
 399 adapt with the new conditions.

400 The implementation of the agricultural water reduction scenario shows that although this scenario reduces water
401 consumption, it decreases the profit and employment of the agricultural sector. The increasing irrigation efficiency
402 scenario, along with an increase in profits, has a negative effect on the agricultural employment. The analysis of
403 scenarios revealed that policies alone could not compensate for water related problems, and there is a need for plenty
404 of scenarios for optimum results.

405 Overall, the findings of the current study revealed that without changing the management strategies, there would
406 be a considerable reduction in crop yields in the near future. Optimizing management methods, selection of the right
407 time for crop cultivation, optimized harvest, studying the feasibility of cultivating crops with shorter growth periods,
408 and using cultivars with higher yields are the effective ways to confront the effects of climate change.

409

410 **Declarations**

411 **Ethics approval and consent to participate**

412 Not applicable.

413 **Consent for publication**

414 Not applicable.

415 **Availability of data and materials**

416 The datasets used and/or analyzed during the current study are available from the corresponding author on reasonable
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424 Abolfazl Majnooni (AM)

425 Javad Hosseinzad (JH)

426 FS and GD collected data. FS, GD and AM designed the model and the computational framework and analyzed the
427 data. FS, GD, AM and JH contributed to the interpretation of the results. FS and GD took the lead in writing the
428 manuscript. All authors provided critical feedback and helped shape the research, analysis and manuscript.

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Figures

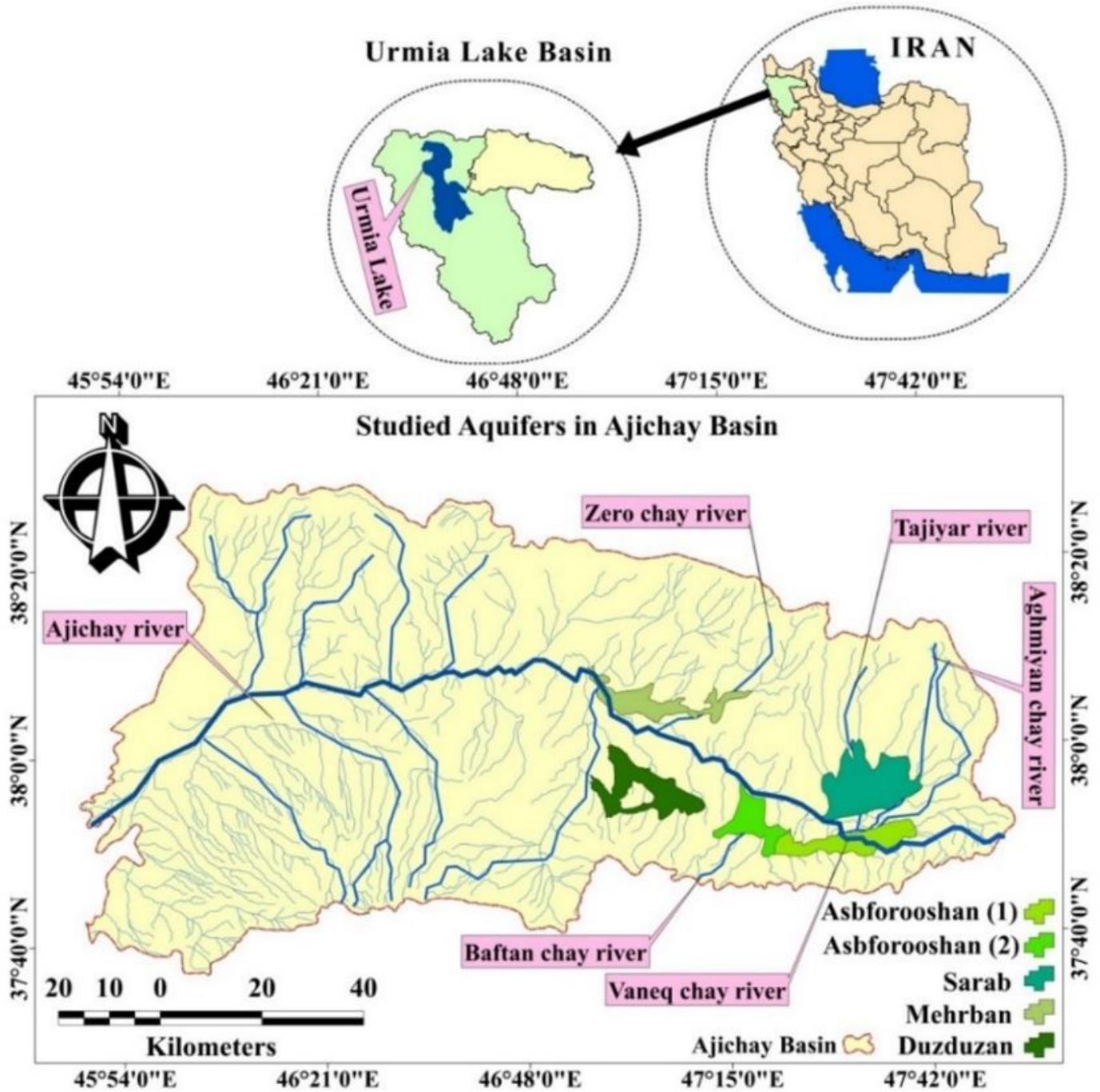


Figure 1

An Overview of the Ajichay Sub-basin. Note: The designations employed and the presentation of the material on this map do not imply the expression of any opinion whatsoever on the part of Research Square concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. This map has been provided by the authors.

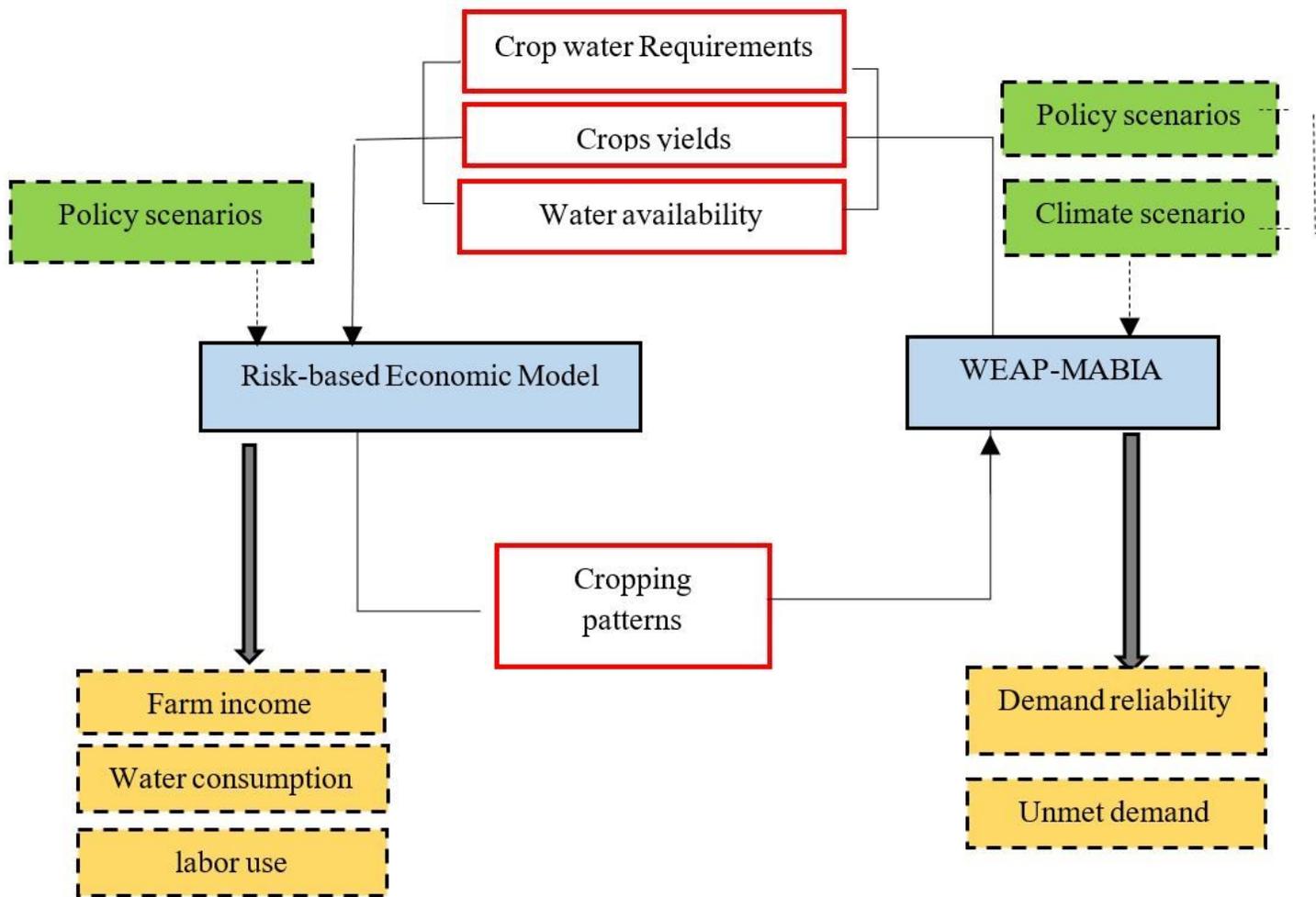


Figure 2

An overview of the hydro-economic model

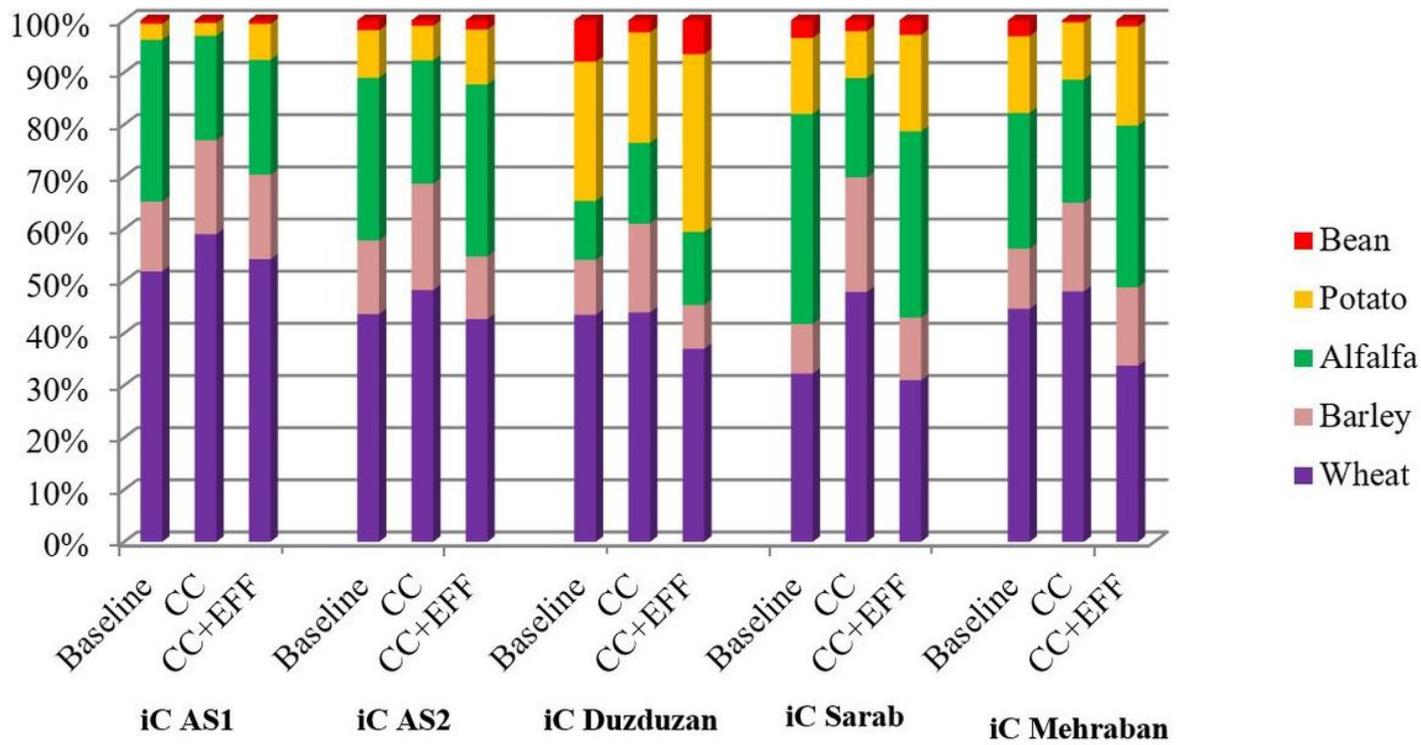


Figure 3
Changes in cropping pattern under increasing irrigation efficiency scenario (%)

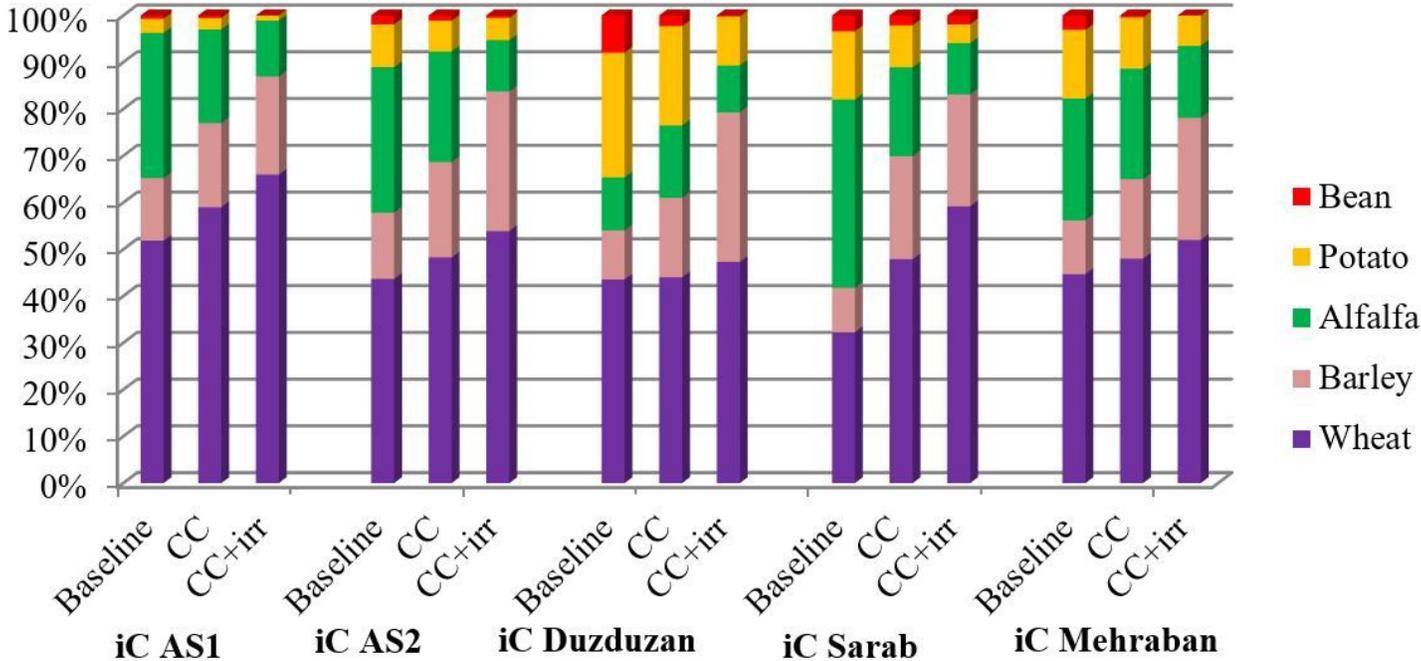


Figure 4
Changes in cropping pattern under agricultural water reduction scenario (%)