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ANNOTATION

The paper examines both theoretical and practical aspects of justifying the components of the discounting rate used in evaluating the effectiveness of socially oriented projects. Given the specific nature of such projects, the author emphasizes the importance of incorporating not only financial, but also social effects, which are often delayed or non-monetary in nature. The study outlines approach to structuring the discount rate, including risk premiums, time value of money, social impact, and institutional factors. A model for determining the discount rate is proposed, taking into account the public significance of the project. This model can be applied by public and private investors, as well as analysts, when making investment decisions in the sphere of social development.

Keywords: discount rate, social projects, social impact, economic efficiency, investment evaluation, risk premium, public significance, financial model, discounted value, strategic planning.