

## **Official Gazette of Bosnia and Herzegovina No. 76/06**

Pursuant to Article IV.4.a) of the Constitution of Bosnia and Herzegovina, the Parliamentary Assembly of Bosnia and Herzegovina, at the 81st session of the House of Representatives held on 20 June 2006, and at the 60th session of the House of Peoples held on 7 July 2006, adopted

### **LAW**

#### **ON CLASSIFICATION OF ACTIVITIES IN BOSNIA AND HERZEGOVINA**

##### **PART ONE - BASIC PROVISIONS**

###### **Article 1**

###### **(Subject of the Law)**

This Law shall establish the concept of the Classification of Activities in Bosnia and Herzegovina (hereinafter: KDBiH), the significance and objective of the Law, application of the Law, and adoption of the Decision on Classification of Activities in Bosnia and Herzegovina (hereinafter: the Decision).

###### **Article 2**

###### **(Definition of KDBiH)**

The KDBiH is an obligatory standard used for registering, collecting, processing, analysing, publishing and presenting data by activities relevant for monitoring the economic, demographic and social situation and changes in Bosnia and Herzegovina.

##### **PART TWO - GENERAL PROVISIONS AND ADOPTION OF THE DECISION ON KDBiH**

###### **CHAPTER I. GENERAL PROVISIONS**

###### **Article 3**

###### **(Application of KDBiH)**

The KDBiH is applied in:

- a) monitoring changes in the economy and for the adoption of economic and social policy measures;
- b) official statistics, information system, records, and development planning;
- c) the collection, processing, and publication of data by activities;
- d) the conclusion of contracts and the fulfilment of international obligations;
- e) scientific research and analytical work;
- f) the registration of activities in statistical, administrative, and special-purpose registers.

#### Article 4

##### **(Legal Basis)**

The KDBiH, as a statistical standard, is established in accordance with the Law on Statistics of Bosnia and Herzegovina ("Official Gazette of BiH", Nos. 26/04 and 42/04).

#### Article 5

##### **(Basis of KDBiH)**

- 1) The KDBiH is based on the "Statistical classification of economic activities in the European Union NACE Rev. 1.1." (EEC Regulation No. 29/02) and is comparable with the United Nations International Standard Industrial Classification of All Economic Activities (ISIC Rev. 3).
- 2) The KDBiH must continuously comply with all official amendments to the Statistical classification of economic activities in the European Union, and, therefore, with the United Nations International Standard Industrial Classification of All Economic Activities.

#### CHAPTER II. ADOPTION OF THE DECISION ON KDBiH

#### Article 6

##### **(Adoption and integral part of the KDBiH Decision)**

- 1) The Decision on KDBiH shall be adopted by the Agency for Statistics of Bosnia and Herzegovina (hereinafter: the Agency).
- 2) The integral parts of the Decision referred to in paragraph (1) of this Article shall be:
  - a) the Classification of Activities of Bosnia and Herzegovina;
  - b) the Classification of Activities of Bosnia and Herzegovina with explanatory notes.
- 3) The Agency shall issue the Decision referred to in paragraph (1) of this Article in cooperation with the Institute for Statistics of FBiH and Institute for Statistics of Republika Srpska (hereinafter: the entity statistical institutes).
- 4) The harmonisation of the KDBiH with international standards referred to in Article 5, paragraph (2) of this Law shall be carried out by the Agency in cooperation with the entity statistical institutes through the adoption of either a Decision on the revision of KDBiH or a Decision on a new KDBiH, depending on the scope of changes.

#### Article 7

##### **(Harmonisation of the KDBiH)**

- 1) The Entities and the Brčko District of Bosnia and Herzegovina (hereinafter: Brčko District) may propose a breakdown of the Classification of Activities at the subclass level.
- 2) The breakdown of the Classification of Activities referred to in paragraph (1) of this Article may be carried out once a year.
- 3) Proposals for a breakdown must be submitted to the Agency by 1 September of the current year.
- 4) The Agency, the entity statistical institutes, and the Brčko District are obliged to harmonise their proposals for the breakdown at the subclass level.
- 5) The harmonised proposal referred to in paragraph (1) of this Article shall be adopted by the Agency by 1 December of the current year.

## PART THREE – APPLICATION OF THE KDBiH AND STATISTICAL REGISTERS

### CHAPTER I. APPLICATION OF THE KDBiH

#### Article 8

##### **(Use of the KDBiH)**

The KDBiH is used to determine activities, i.e., to classify activities of business and other entities and their parts for statistical purposes, as well as for various official and other administrative data collections (records, registers, databases, etc.).

#### Article 9

##### **(Hierarchical categories of KDBiH)**

The KDBiH has the following hierarchical categories for grouping economic and other activities:

- a) Section (designated by a single-letter alphabetical code);
- b) Subsection (designated by a two-letter alphabetical code);
- c) Division (designated by a two-digit code);
- d) Group (designated by a three-digit code);
- e) Class (designated by a four-digit code);
- f) Subclass (designated by a five-digit code).

#### Article 10

##### **(Classification of legal entities and natural persons)**

In accordance with the KDBiH, the following shall be classified by activities:

- a) legal entities and natural persons performing activities in accordance with legal regulations;
- b) state-level authorities and administrative bodies;
- c) authorities and administrative bodies at the level of the Entities and the Brčko District;
- d) authorities and administrative bodies at the canton level in the Federation of Bosnia and Herzegovina;
- e) authorities and administrative bodies of local self-government units in Bosnia and Herzegovina.

## Article 11

### **(Competent authorities for the classification of entities by activities)**

The classification of entities referred to in Article 10 of this Law, in accordance with KDBiH, shall be carried out by the competent authorities of Bosnia and Herzegovina, the Entities, and the Brčko District, in accordance with the laws and other regulations of Bosnia and Herzegovina, the Entities, and the Brčko District.

## Article 12

### **(Classification levels and classification by principal activity)**

- 1) Entities referred to in Article 10 of this Law and their parts shall be classified into sections, subsections, divisions, groups, classes, and subclasses of the KDBiH, according to the activities they perform.
- 2) If business entities referred to in paragraph (1) of this Article engage in multiple activities, they shall be classified according to their principal activity.
- 3) In all cases of international data exchange, entities referred to in Article 10 of this Law shall be classified up to the class level, depending on the required level of aggregation.
- 4) For the purposes of producing and publishing statistical results intended for domestic users, entities referred to in Article 10 of this Law shall be classified up to the subclass level, depending on the required level of aggregation.

## CHAPTER II. STATISTICAL REGISTERS

## Article 13

### **(Competent authorities for maintaining statistical registers)**

- 1) The competent statistical authorities at the level of Bosnia and Herzegovina, the Entities, and the Brčko District shall maintain statistical registers of the entities referred to in Article 10 of this Law in accordance with the KDBiH.
- 2) The content, format, and manner of maintaining the register referred to in paragraph (1) of this Article shall be determined in accordance with international standards and European Union standards.

## PART FOUR - TRANSITIONAL AND FINAL PROVISIONS

## Article 14

### **(Harmonisation of laws)**

Entity laws and the Law of the Brčko District regulating the Classification of Activities shall be harmonised with this Law within 90 days of its entry into force.

## Article 15

### **(Adoption of secondary legislation)**

The Entities and the Brčko District shall adopt secondary legislation on the classification of entities referred to in Article 10 of this Law, in accordance with this Law and the Methodology for the Statistical Use of the KDBiH, within 120 days of entry into force of this Law.

Article 16

**(Transitional period for the implementation of existing regulations)**

During the transitional period, until the harmonisation of laws referred to in Article 14 of this Law, the regulations currently in force governing the classification of activities shall continue to apply for statistical and analytical purposes.

Article 17

**(Entry into force)**

This Law shall enter into force on the eighth day following its publication in the "Official Gazette of BiH".

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Parliamentary Assembly of  
BiH, No. 355/06  
7 July 2006, Sarajevo

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Chairman of the House of  
Representatives of the  
Parliamentary Assembly of  
BiH  
**Martin Raguž**, s. r.

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Chairman of the  
House of Peoples of  
the  
Parliamentary  
Assembly of BiH  
**Goran Milojević**, s.  
r.