Classification of Economic Activities

In terms of the national economy, a basic classification of economic sectors, broken into four basic sectors is used:

- Raw Materials (Primary Sector)
- Manufacturing and Industry (Secondary Sector)
- Service Sector (Tertiary Sector)
- Knowledge Sector (Quarternary Sector)

This basic method for classification of individual sectors isn’t sufficient for different statistical, economic, and other needs. There are therefore a number of national and international classifications, which are gradually harmonized. The most important and most common are classifications of economic activities, which are based on statistical classification. They are binding for the institutions of the State Statistical Service.

Internationally used and recognized classifications of economic activities (labor) are as follows:

- NACE (Statistical Classification of Economic Activities in the European Community)
- ISIC (International Standard Industrial Classification of all Economic Activities)
- NAICS (North American Industry Classification System Statistical bureaus of US, Canada, and Mexico)
- ANZSIC (Australian and New Zealand Standard Industrial Classification)
- SIC (Standard Industrial Classification US production) - is replaced by NAICS
- ICB (Industry Classification Benchmark Dow Jones) - created for the purposes of the Exchange FTSE
- GICS (Global Industry Classification Standard) - created for the purposes of financial exchanges
- TRBC (Thomson Reuters Business Classification)

Practical use of classification of economic activities: There are various classifications of production and activities since the Industrial Revolution. Detailed structure and classification (taxonomy) is used for various statistical purposes, for purposes of state statistics, in the compilation of the national accounts definition of taxes, price controls, categorization of assets, depreciation, tax payments to the state budget, and more. Statistical classification is a hierarchical sorting of certain economic, social or demographic phenomena or activities. The aim of classification is to create uniform groups of economic activities or products, while the essential aspect is factual, technical and economic divisions. Each state uses a classification, which reflects its characteristics, but it is based on the tendency of internationally valid classification (especially ISIC and NACE).

Every organization or enterprise is assigned, in connection with its business in the national economy, to one or more categories. Categories are divided into classifications multi-stage, usually on the industry, further classes, subclasses, groups, subgroups, sections and subsections.