RESEARCH ARTICLE

Togolese Informal Sector Workers' Willingness to Pay for Access to Social Protection

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Abstract: In Togo, the informal sector accounts for 84% of the workforce with an annual growth rate of 5%. Despite the importance of the informal sector workers in the Togolese productive activity, they do not benefit from social protection. To address this situation, Act No. 2011-006 was adopted by the Togolese National Assembly in 2011 to provide social security to informal sector workers. However, this was not applied, which means they are still not covered by social protection. This paper seeks to estimate the willingness-to-pay (WTP) of informal workers to have access to social protection services offered by National Social Security Fund (CNSS) and to analyse determinants of WTP. Data was obtained from a cross-sectional representative households' survey involving 7,346 households in rural and urban CBMS sites in Togo. We used contingent valuation (CV) method in order to estimate the WTP. A logistic regression was used to analyse determinants of WTP. The results indicate that 84.5% of jobs in the areas studied were informal. It reveals that a significant proportion of women were engaged in informal employment wherein 88.7% were in urban areas and 94.2% were in rural areas. Also, it was interesting to note that 90.9% of informal sector workers were willing to subscribe to social protection services. Though many were willing, about 49.8% mentioned that they were only interested if the fee is below USD 2.55 per month. Moreover, it was observed that men were willing to pay for higher contribution than women. Further, more than half of the informal sector workers were interested to have occupational disease insurance while 81.9% were interested in accident work insurance. Meanwhile, a logit regression was used to estimate the relationship between the individual's WTP and the explanatory variables, which include income, household size, age, education, gender, location, and health status. Overall, the results indicate that income and education were the key determinants of households' WTP.

Keywords: informal sector, social protection, willingness-to-pay, contingent valuation method

JEL Classifications: E26, H53, H55, I38, 017.

Similar to many developing countries in Sub-Saharan Africa (SSA), poverty is still a major problem in Togo. According to INSEED (2016), around 55.1% of the population live below the poverty line. Poor families cannot afford to pay for some of the basic services, which make them vulnerable to social risks such as old-age, death in the family, and disabling accidents or illness. These risks can be addressed through a proper social protection program. However, many workers in Togo are not yet accounted for in their social protection programs, particularly workers from the informal sector. The Strategic Document of Poverty Reduction (International Monetary Fund, 2010) mentions that the government's main concern is to provide social protection that takes into account three main aspects, namely insurance, safety and health at work, and assistance and management of poverty. The insurance and social protection programs of Togo are being managed by the National Social Security Fund (CNSS) for private and parastatal workers and the Retirement Fund of Togo (CRT) for the public sector workers.

The informal sector in Togo accounts for 84% of the workforce (excluding agriculture) with an annual growth rate of 5% (Ministry of Industry, Trade and Development of Free Zone, 2000). Technically, workers are considered to be part of the informal economy if their companies are not registered at CNSS, not in the trade register, not in the tax department, as well as those not in the center of business formalities. Many of the workers are in the informal economy, particularly in the main cities of Togo like Lome (83%). Income-generating activities in the informal sector are classified into 10 categories: food processing, clothing/shoes, metalworking, wood treatment, crafts, construction, garage services, services, commerce/restore, and transport and others.

To provide social protection to those not in the formal sector, Social protection Act of 006 (2011) was adopted to provide social security to three sectors of the economy. These sectors include those who are self-employed, working in the informal economy, students of vocational schools, apprentices, and trainees. Individuals in these sectors are provided by family and maternity benefits, pensions, and occupational hazard benefits. However, because of the lack of data and information about the informal sector, this was not applied by the CNSS, which means they are still not covered by social protection. Despite the large portion of the Togolese working population engaged in the informal economy, many still have no financial protection against illness or disability.

Rationale and Objectives of the Study

Due to the fact that data about workers in the informal economy is missing, social protection programs involving these individuals are hard to implement. The government of Togo has no data on employment in the informal sector, which makes it hard for local authorities to develop appropriate local development plans. In 2014, the community-based monitoring system (CBMS) was introduced in Togo. The primary aim of CBMS is to establish a local monitoring system which considers different dimensions of poverty centered on gathering data on social protection.

The main objective of this study is to collect data as inputs to the preparation of local development plans. The specific objective was to estimate and analyze the willingness-to-pay (WTP) of informal workers to have access to social protection services offered by CNSS.

Analytical Framework and Research Questions

Despite the importance of the informal sector workers in the Togolese productive activity, they do not benefit from social protection provided by the CNSS and CRT. One of the most important factors that could explain the failure to take into account the informal sector in the social protection system is the lack of data on the informal economy. Togo does not have data on employment in the informal sector. Authorities therefore do not have information in the informal sector (profile of household poverty, vulnerability of employment, income, access to basic services, and employment of women and children). The lack of data on the informal sector, which represents the vast majority of the private sector, does not allow authorities to develop appropriate local development plans. Some questions that centers in these issues are the following:

1. What make informal sector workers vulnerable?

2. Who among the male and female informal sector workers were able to access the national social protection system?
3. How much are they willing to pay for national social protection system services for activities which are important to them?
4. What are the determinants of willingness to pay (WTP) of informal sector workers?

Source/s of Data

We utilized primary data in this study using the information from the CBMS census in Togo. Three questionnaires were used (household questionnaire, rider questionnaire, and community questionnaire). The household questionnaire covered information about the household members, such as demography, education, and several characteristics like poverty and basic access to services. The rider questionnaire covered the additional information which includes an assessment of the willingness-to-pay of the individuals to have access to social protection. The CBMS census covered 7,346 households in rural and urban sites in Togo. The urban site covers Tokoin-Wuiti while the rural site covers Dalave and Gblainvie in Tsevie.

Methodology and Research Design

Numerous methods have attempted to solve the problem of establishing a price for a particular product: hedonic pricing, cost-benefit analysis, cost and cost-effectiveness, and so forth (Asfaw & von Braun, 2005). Much of the current WTP literature uses contingent valuation (CV) method which elicits directly what individuals would be willing to pay for a particular product or good. The possible sources of bias commonly encountered in contingent valuation studies are:

1. Strategic bias, if the respondents deliberately give answers that will sway the outcome of the study in their favor.
2. Hypothetical bias, if the difference between the stated payments to a hypothetical situation and the actual payments that will be made in a real situation.

3. Design bias, since the survey design includes a particular amount of the services to be availed, this can affect the respondents' WTP.

The study used the parametric approach of the referendum format in the model in order to estimate the WTP. According to Arrow et al. (1993), the referendum "refers to a choice mechanism that asks each respondent how he would vote if faced with a particular program and the prospect of paying for the program through some means such as higher taxes" (p. 22).

Let us assume that $v(p, q, y, s, \varepsilon)$ is the indirect utility function of the individual, p represents the prices of the market goods, q is the non-market good, ε is the stochastic component of preferences, y is the individual's income, and s is his characteristics. Via the survey instrument, the individual is confronted with the possibility of a change from initial situation 0 to the proposed alternative 1 (that is from q^0 to $q^1 \succ q^0$). In the survey, the researcher will tell the individual that this change cost a certain amount and is then asked whether the change is favorable. The individual will answer a "yes" if only $v(p, q^1, y - A, s, \varepsilon) \geq v(p, q^0, y, s, \varepsilon)$ and "no" otherwise. Hence,

$$\Pr\{response\ is\ 'yes'\} = \Pr\{v(p, q^1, y - A, s, \varepsilon) \geq v(p, q^0, y, s, \varepsilon)\} \tag{1}$$

By using the compensating variation measure, which is the quantity C that satisfies:

$$v(p, q^1, y - C, s, \varepsilon) = v(p, q^0, y, s, \varepsilon).$$

Thus, $C = C(p, q^0, q^1, y, s, \varepsilon)$ is the respondent's maximum WTP for the change from q^0 to q^1. It results that the answer is "yes" if the stated price is *less* than this WTP, and "no" otherwise. Hence, an equivalent condition to (1) is:

$$\Pr\{response\ is\ 'yes'\} = \tag{2}$$
$$\Pr\{C(p, q^0, q^1, y, s, \varepsilon) \geq A\}$$

In other words, the respondent will say "yes" when the maximum WTP for the change from q^0 to q^1 is larger or equal than the proposed bid A. For instance,

when the respondents are asked whether they would pay *A* monetary units for a policy or a management plan aims at improving the water quality from $q^0 \text{ to } q^1$, they will answer with a "yes" if their willingness to pay is larger, or at least equal, to *A*.

It is assumed that $C\left(p, q^0, q^1, y, s, \varepsilon\right)$ is a random variable, while the respondents' WTP for the change in q is something that they themselves know that the researcher does not know but treats as a random variable.

Let $G_c(\bullet)$ be what the investigator assumes is the cumulative distribution function (cdf) of C, and $g_c(\bullet)$ the corresponding density function. Then (2) becomes:

$$\Pr\left\{ response\ is\ 'yes'\right\} = 1 - G_c(A) \qquad (3)$$

The form of the function $G_c(A)$ determines the econometric model to be used. If the $G_c(A)$ follows logistic standard distribution and the model to estimate is linear, then (3) can be written as:

$$\Pr\left\{ response\ is\ 'Yes'\right\} = \frac{1}{1 + e^{\alpha + \beta A}} \qquad (4)$$

where the coefficients α and β are estimated in the Logit model corresponding respectively to the constant term and the explanatory variables (such as the household's level of income, family size, age of the respondent, education level of the household's head, sector of activity, etc.) containing the proposed bid.

Following the formula used by Hanemann (1984), the truncated mean WTP for access to CNSS social protection is:

$$E(WTP) = -\frac{1}{\beta_1} \ln\left(\frac{1 + e^{\delta}}{1 + e^{\delta - \beta_1 M_{\max}}}\right) \qquad (5)$$

where β_1 is the absolute value of the estimated coefficient on the bid amount, δ is the sum of the estimated constant plus the sum of all other independent variables' coefficients (independent variables which are significant) multiplied by their means. $M_{\max}$ is the maximum bid. The logit model will be used:

$$\log\left(\frac{P_i}{1 - P_i}\right) = \beta_0 + \beta_1 M_i + \sum_{j=2}^{n} \beta_j X_j + \varepsilon_i$$

where P_i is the probability that the respondent accepts the proposed bid. β_j (j=0, 1, 2……..n) are the parameters to be estimated, M_i is the price proposed to the respondent, X_j is the vector of explanatory variables and ε_i is the error term.

The study of Bärnighausen, Liu, Zhang, and Sauerborn (2007) on the WTP for social health insurance among informal sector workers in Wuhan, China shows that age, income, and sex have a significant impact on WTP. Thus, these variables are included in the study. Previous studies also used a contingent valuation to measure the WTP for health insurance in Africa (Asenso-Oykere, Osei-Akoto, Anum, & Appiah, 1997; Dong, Kouyate, Cairns, & Sauerborn, 2004; Ateguba, Ichoku, & Fonta, 2007). Based on these studies, the explanatory variables such as educational level, number of people dependent on the respondent, location, and sector of activity were also taken into account.

Results and Discussion

According to the data collected, about 85% of the population from Tokoin-Wuiti and Tsevie are involved in activities in the informal sector. Results show that a greater percentage of informal sector workers are present in rural areas than in their urban counterparts where 91.4% and 85.6% of employment in the rural areas covered are informal while 82.2% in the urban site. In addition, the results reveal a significant proportion of women with informal employment in urban areas (88.7%) as in rural areas (94.2%).

The findings noted that informal jobs were higher in trade, agriculture, and handicrafts sectors, representing about 77% of the informal sector population. In particular, agriculture contributes 20.1% to the population, which results in 1 in 5 workers in the informal sector. Meanwhile, lower employment is noted for other sectors in the informal economy.

In terms of the socioeconomic characteristics of the people engaged in the informal sector, about 59% of them are women. The proportion of women with no educational level (45.6%) is greater than that of men (21.8%). Taking into account those with a secondary education, the proportion of men (45.9%) is higher than that of women (26.7%), regardless of the place of residence.

Table 2 shows that half of the workers in Tsevie were unable to write and read. It can be noted that the majority of informal sector workers in rural
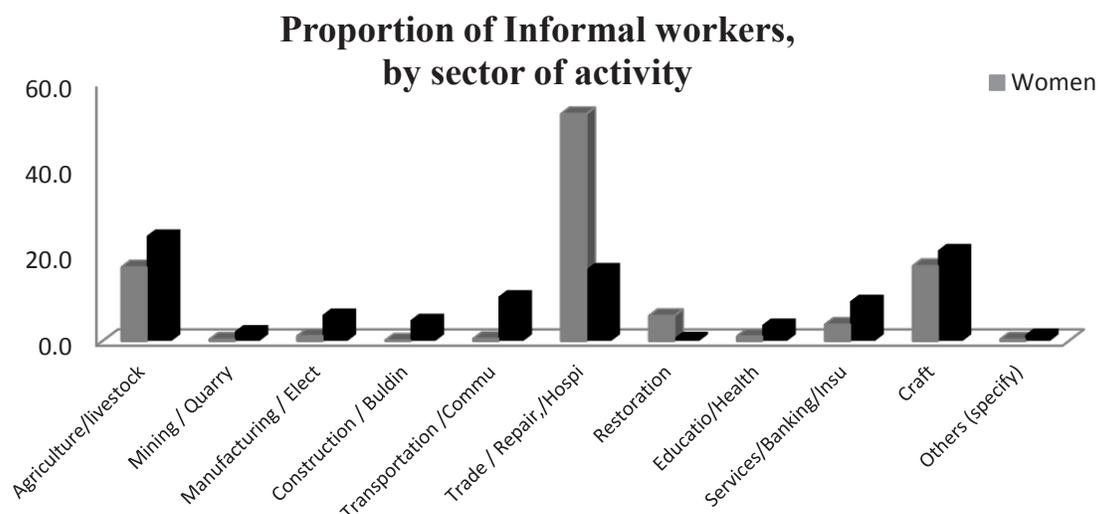
Proportion of Informal workers, by sector of activity

Figure 1. Distribution of informal workers according to sector of activity (Partnership for economic policy, Community-Based Monitoring System, Togo census data, 2015)

Table 1. *Socioeconomic Characteristics of Informal Workers According to Location*

| Characteristics | Urban (%) | | | Rural (%) | | | | | | Total | | |
| | Tokoin-wuiti | | | Dalave | | | Gblainvie | | | | | |
	W	M	All	W	M	All	W	M	All	W	M	All
Age												
5 - 14 years	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
15 - 35 years	51.0	55.5	52.6	40.4	42.0	41.1	37.6	34.1	36.0	46.4	47.4	46.8
36 - 60 years	44.8	41.7	43.7	48.7	48.0	48.4	51.4	54.1	52.6	46.7	45.9	46.4
More than 60 years	4.2	2.8	3.7	10.9	10.0	10.5	11.0	11.8	11.4	6.9	6.7	6.8
Marital status												
Single	17.3	34.8	23.7	4.6	8.9	6.6	6.5	10.1	8.2	12.4	21.9	16.3
Married	65.7	60.1	63.6	70.3	83.7	76.5	70.5	85.5	77.5	67.6	72.3	69.5
Divorced/separated	7.5	3.7	6.1	7.8	4.8	6.4	3.0	1.4	2.2	7.0	3.7	5.6
Widow/widower	9.5	1.5	6.6	17.4	2.6	10.5	20.1	3.0	12.1	13.1	2.1	8.6
Household size												
Mean	1.7	1.5	1.6	2.2	2.2	2.2	1.9	1.9	1.9	1.8	1.7	1.8
Majority (alone)	58.3	75.5	65.4	40.2	41.8	41.0	45.4	55.2	50.0	52.4	63.4	57.1
Educational level												
None	30.4	10.4	23.0	68.2	34.0	52.4	66.7	30.6	49.8	45.6	21.8	35.8
Primary	29.3	18.1	25.2	21.7	32.1	26.5	23.9	39.1	31.0	26.5	26.3	26.4
Secondary	38.2	59.7	46.1	10.1	33.3	20.9	9.4	30.3	19.2	26.7	45.9	34.6
Higher	2.1	11.8	5.7	0.0	0.6	0.3	0.0	0.0	0.0	1.3	6.1	3.2

Source: Partnership for economic policy, Community-Based Monitoring System, Togo census data, 2015.

Table 2. *Informal Employment Indicators According to Location*

Indicators	Tokoin-Wuiti			Dalave			Gblainvie			Total		
	W	M	All	W	M	All	W	M	All	W	M	All
Proportion of informal sector workers who are unable to write and read	30.5	10.5	23.1	68.2	34	52.4	67	30.6	50	45.6	21.8	35.9
Workers whose average monthly income is lower than the guaranteed minimum wage	29.1	20.7	26	64.4	41.6	53.8	80.8	73.1	77.2	45.6	36.4	41.8
Workers who have access to protection against natural disasters programs	1.7	2.6	2	0.7	0.8	0.8	1.5	0.7	1.1	1.4	1.7	1.5
Workers who have access to credits	13.2	9.1	11.7	21	17.5	19.4	5	10.2	7.4	14.3	12.2	13.4
Workers who are interested to accident work insurance	73.2	81.6	76.3	91.3	91.7	91.5	82	84.7	83.2	79.4	85.6	81.9
Workers who are interested to occupational disease insurance	61.7	70	64.7	78.9	78.9	78.9	71.3	68.4	69.9	67.7	72.8	69.8
Importance of social protection	4.1	5.3	95.5	8.9	8.4	91.3	27.2	27.2	72.8	8.4	10	90.9

Source: Partnership for economic policy, Community-Based Monitoring System, Togo census data, 2015.

areas live with a monthly average income less than the guaranteed minimum wage—77.2% and 53.8% respectively in Gblainvie and Dalave. However, on average, the proportion of women working in the informal sector (45.6%) with a monthly income below the minimum wage is much higher than that of men (36.6%).

Furthermore, the study revealed that the access to social protection against natural disasters of these workers were low at 1.5%. The proportion of men (1.7%) benefiting from these programs is higher than that of women (1.4%). Meanwhile, the proportion of informal workers who have access to credits is very low at 13.4%. However, women (14%) have more access than men (12.2%) regardless of their location.

Nevertheless, it is interesting to note that 90.9% of informal sector workers have revealed their preference to subscribe to social protection services. More than half of the population of informal sector workers is interested in having occupational disease insurance while 81.9% are interested in accident work insurance. It can be noted that a greater proportion of workers

from the rural area are interested in protection services.

With regards to the WTP of Togolese informal workers to avail of the CNSS services, the data show that 94.4% are interested. Though many are willing, about 49.8% reported that they are only interested if the fee is lower than USD 2.55 per month. The low WTP can be associated with the fact that they would rather spend the money on food and other necessities than to social insurance benefits. However, it is observed that the proportion of women who are suited to contribute to access to social protection services is higher than that of men (see Table 3).

As shown in Table 4, about 26% of the population, ranked family allowance as their most preferred service from the CNSS. This was followed by health insurance with 21% and old age pension with 19%.

Results show that the average WTP of women are lower than men in terms of access to social benefits—USD 4.93 for men against USD 3.55 for women. This can be explained by the fact that the average income of men in the informal sector is higher than their women's counterpart. Indeed, the proportion of women working

Table 3. *Willingness-to-Pay of Informal Workers for Access to Social Protection (USD)*

Willingness-to-pay (in USD)	Urban (Tokoin-Wuiti)			Rural						Total		
				Dalave			Gblainvie					
	W	M	All	W	M	All	W	M	All	W	M	All
Not interested	4.8	5.6	5.1	4.8	7.4	6.0	6.8	5.7	6.3	5.1	6.3	5.6
Less than 2.55	48.7	37.8	44.7	58.7	43.8	51.8	71.9	57.8	65.3	54.5	43.2	49.8
2.55 – 4.36	24.1	24.8	24.3	25.1	27.2	26.1	12.4	17.2	14.7	22.9	24.4	23.5
4.36 – 6.55	8.5	8.2	8.4	4.8	8.2	6.4	3.0	7.8	5.2	6.7	8.1	7.3
6.55 – 8.73	2.3	4.2	3.0	2.7	3.2	2.9	1.5	3.7	2.5	2.3	3.8	2.9
8.73 – 21.82	10.4	16.7	12.7	3.8	8.5	6.0	3.3	6.4	4.7	7.6	12.2	9.5
21.82 – 36.36	1.0	1.6	1.2	0.3	1.5	0.8	0.6	0.3	0.5	0.8	1.3	1.0
More than 36.36	0.2	1.1	0.5	0	0.2	0.1	0.6	1.0	0.8	0.2	0.8	0.4

Source: Partnership for economic policy, Community-Based Monitoring System, Togo census data, 2015.

Table 4. *WTP According to the Desired Services Provided by CNSS*

CNSS' services	First choice			Second choice			Third choice		
	W	M	All	W	M	All	W	M	All
Prenatal allowances	15.4	8.7	12.0	4.0	5.5	4.7	3.1	3.0	3.0
Familial allowances	27.4	27.7	27.5	15.2	12.9	14.0	8.7	8.9	8.8
Maternity benefits	4.0	2.9	3.4	8.5	3.5	6.0	3.5	3.6	3.5
Old age pension	17.8	19.4	18.6	22.5	23.8	23.1	11.1	11.2	11.1
Anticipated pension	0.6	1.4	1.0	2.3	2.1	2.2	1.5	2.9	2.2
Disability pension	1.8	3.5	2.6	6.1	6.8	6.4	5.6	4.8	5.2
Survivor's pension	1.7	2.0	1.8	4.8	5.6	5.2	8.0	7.9	7.9
Old age allowances	6.8	6.5	6.7	12.1	11.8	12.0	12.4	7.7	10.0
Survivor's allowances	0.7	0.7	0.7	3.8	3.2	3.5	5.6	4.6	5.1
Disability allowances	0.3	0.6	0.5	2.1	2.4	2.3	4.7	4.2	4.4
Accidents at work	1.6	3.5	2.6	5.3	7.9	6.6	17.0	22.6	19.8
Occupational disease	2.5	3.5	3.0	3.1	5.3	4.2	5.6	6.2	5.9
Health insurance	19.4	19.6	19.5	10.2	9.3	9.7	13.6	12.4	13.0

Source: Partnership for economic policy, Community-Based Monitoring System, Togo census data, 2015.

in the informal sector (45.6%) with a monthly income below the minimum wage is much higher than that of men (36.6%). The analysis at the level of sectors reveals that men are always willing to pay more than women in all sectors. The highest average consents are observed in the sectors of catering (USD 7.17), services/Banking/Insurance (USD 6.63), and transport/communication (USD 6.08).

Results of the Logit Model

In this study, before implementing the logit regression, we check for multicollinearity. Variance Inflation Factors (VIF) was used. The largest VIF was 5.06 and the mean VIF was around 1.99, which does not suggest high multicollinearity. When we compare the standard deviations of the estimated model with the

robust option, with that estimated without this option, the difference is negligible. This allowed us to accept the hypothesis of no endogeneity.

Table 5 presents the results of the estimation with the logit model. The dependent variable (WTP for CNSS' social services) is binary and takes the value 1 for individuals willing to pay and 0 otherwise.

It is apparent in Table 5 that variables such as income, household size, age, education, gender, location, and consultation of a physician significantly affect the WTP (P <0.05). Income positively affects WTP. However, there is a threshold above which, income inversely affects the WTP as indicated by the negative sign of the coefficient of the variable income². The positive relationship between household size and WTP implies that people are more willing to pay for social protection services offered by the CNSS, when their household size increases. Another important finding was that individuals are willing to pay as their age increases. Furthermore, a positive correlation was found between educational level and WTP. The coefficient of the location is also significant; but with a positive sign in rural areas; this may be justified by the fact that rural residents are usually more vulnerable than their urban counterparts. It was also found that,

people who have consulted a health professional over the last 12 months do not consent to pay for social services. Finally, even insignificant, the sector of activity positively affects WTP.

Estimates by gender show that age is significant only for men. Indeed, women have a higher life expectancy than men. The age is significant and affects positively the WTP; from a certain age (threshold), the WTP of women increases.

An important finding was that, the more educated the household is, the more it attaches importance to social protection. Therefore, households whose heads are educated have a greater probability to subscribe to the program than less educated households. Meanwhile, location was noted to have a significant effect on the WTP for access to CNSS' services wherein workers living in rural areas are more willing to pay for the CNSS services. This finding is not surprising because workers in rural areas mostly operate in the informal and risky activities. In addition, a positive correlation was found between WTP and income. In other words, the higher the income of the informal sector, the more likely that they are willing to pay for the services of the CNSS. A possible explanation for this might be that high-

Table 5. *Logit Estimation Results*

Variable	Coef.	Std. Err	P>|z|
income	9.20e-06	1.94e-06	0.000***
income²	-8.97e-12	3.66e-12	0.014**
household size	.152176	.0439967	0.001***
Age	-.0194768	.0074783	0.009***
age²	.0000867	.0000271	0.001***
educational level	.191173	.0589069	0.001***
sector of activity	.0256139	.0235541	0.277
Sex	-.3160035	.1341935	0.019**
place of residence	-.4258372	.1569704	0.007***
Sickness	-.2888813	.447499	0.519
distance_health center	-.0150016	.0698023	0.830
consultation_health professional	-.4293598	.1488084	0.004***
Religion	-.0010102	.007288	0.890
matrimonial status	-.0765971	.0955527	0.423
Constant	.0485557	.7425831	0.948
*** = (P < 0,01) ; ** = (P < 0,05)			

Source: Partnership for economic policy, Community-Based Monitoring System, Togo census data, 2015.

Table 6. *Estimation Results by Gender*

Variable	Men		Women	
	Coef.	**P>z**	**Coef.**	**P>z**
income	9.60E-06	0.000***	8.24E-06	0.000***
income²	-9.42E-12	0.011**	-6.33E-12	0.003***
Household size	0.1450088	0.001***	0.2280865	0.000***
age	-0.0171313	0.021**	0.0328887	0.364
age²	0.0000816	0.002***	-0.0004749	0.255
Education level	0.2323611	0.000***	0.1656464	0.017**
Sector of activity	0.0222282	0.35	0.0353023	0.333
Place of residence	-0.3440324	0.025**	-0.6279716	0.003***
sickness	-0.3310415	0.463	-0.8067966	0.203
distance_health center	-0.0079928	0.909	-0.0469086	0.623
consultation_health professional	-0.4041519	0.006***	-0.4815585	0.019**
religion	-0.000704	0.923	-0.013536	0.066
Matrimonial status	-0.1179379	0.208	-0.170879	0.152
constante	-0.6429816	0.361	-0.6681308	0.569

income households have the financial capacity to subscribe to the program proposed to them.

Surprisingly, it is found that, in this study, the relationship between income and WTP is nonlinear. There is a threshold of income above which shows that income is negatively correlated with the value of WTP. Beyond this threshold, households have no incitation to access to social protection services offered by the CNSS. The study also found that household size has a positive effect on the WTP. This result may be explained by the fact that a larger household size is more vulnerable. Moreover, age was found to be significant and has a negative effect on WTP. Results also revealed that gender (sex) is negatively related to WTP and is statistically significant. This suggests that men are less willing to pay for CNSS services than women. The data show that women are largely overrepresented in the informal economy and have unskilled jobs in the selected sites.

Meanwhile, the use of health centers was found to have a negative effect on the WTP. Households who have fallen ill and those who have consulted a health professional in the past have a poor perception of the quality of care provided which in return negatively affects their consent to payment. It is important to note that their willingness to join the program is affected by the quality of the health system. Indeed, many health structures suffer from a lack of equipment for good quality health care. Likewise, the lack of respect and consideration of some health personnel towards patients could explain the refusal of the latter to join the social protection system offered by the CNSS.

The study also checked the marginal effects of the estimated model. Results reveal that an increase of one year in the educational level would increase by 0.03 points the household's likelihood of their WTP for the program, holding other variables constant. Likewise, an increase of household size of one member should raise the probability of WTP by 2.2%.

Conclusion and Policy Recommendations

According to the data collected, it is worth noting most of the jobs in Tokoin-Wuiti, Dalave, and Gblainvie are under the informal economy. Only 15.6% of the jobs are from the formal sector. The results show that trade, agriculture, and handicraft are the main sector with higher level of informal jobs. Estimates indicate that variables such as income, household size, age, education level, gender, location, and consultation with a doctor have significant effects on the WTP for social protection services. In addition, the WTP of Togolese informal workers increases with their income.

Regardless of the sector of activity, the results of the different estimations implemented found that income is a key determinant of households' WTP. Based on the results of the study, the following recommendations are made:

1. Government may promote the acceptable tax levels to reduce tax evasion and encourage people to enter formal employment. Many informal workers are too poor to pay significant contributions, especially women.
2. Raise awareness on the relationship between the costs of participation in the formal economy and its benefits for businesses and informal workers.
3. Intensify sensitization sessions and training on the benefits and importance of social protection to informal workers, with greater involvement of associations and NGOs, micro-finance, and community opinion leaders.
4. Strengthen the involvement of informal workers in the public interest discussions so that they feel involved in the different initiatives of the country's development.
5. Translate the government's political will to support the informal sector by allowing informal sector operators to access public resources.

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