DRIVING TOWARD OPERATIONAL EFFICIENCY IN GLOBAL HEALTH ORGANIZATIONS:

The case of the DNDi-GARDP alliance

A NEW ERA FOR GLOBAL HEALTH DEMANDS SMARTER SPENDING

The early 2000s was a golden age for global health financing. But now with rising geopolitical crises and economic pressures, governments and other funders are tightening their belts and reprioritizing funding. In a more constrained funding environment, global health organizations must adapt by working smarter. One example is the alliance between the Drugs for Neglected Diseases initiative (DNDi) and the Global Antibiotic Research & Development Partnership (GARDP).

The alliance relies on GARDP and DNDi's joint vision of carrying out R&D to address patient needs and enabling access to drugs. Following the successful three-year incubation of GARDP by DNDi, both organizations wanted to preserve and build efficiency gains by sharing certain functions and best practices.

In 2019, the two organizations formalized their collaboration through an alliance agreement, which was renewed in 2021. In 2024, the GARDP Board approved the continued hosting of GARDP within DNDi's premises for a period of 10 years, signalling its confidence in the long-term strategic nature of the alliance.

Geneva, left to right:
Phoutthasone Bouppha, DNDi Head of Financial Control, and Nicola Porteous, GARDP Head of Finance. For areas of collaboration covered by the alliance, the organizations have set up a Joint Steering Committee, which meets quarterly. Alliance costs are reviewed annually or when deviations exceed 5% of the original budget.
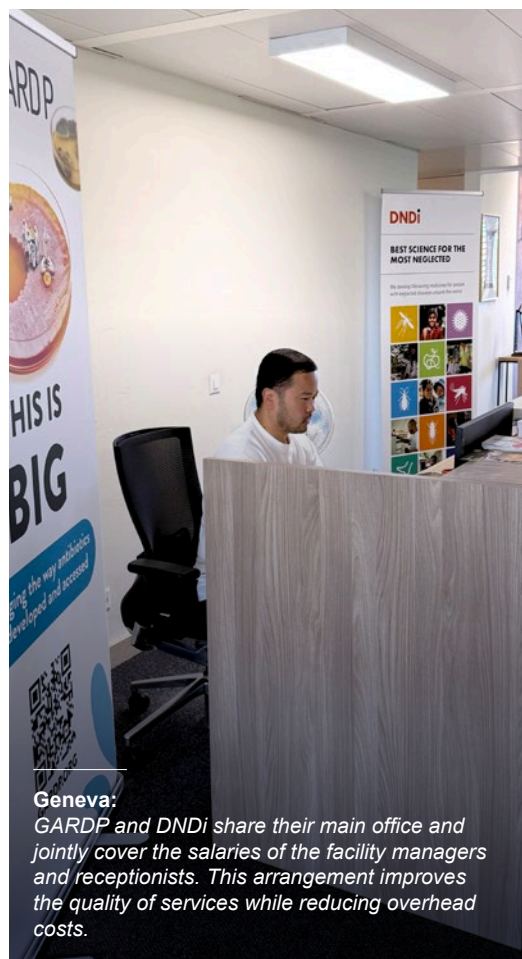
ALLIANCE OVERVIEW

The alliance is based on DNDi's and GARDP's organizational strengths and complementary areas of expertise. As of April 2025, it covers four key areas.

1 **International Network:** Proximity to and close engagement with affected communities and local treatment providers, and equal partnerships with key national and regional stakeholders, are essential to meeting unaddressed R&D needs and building innovation ecosystems that are sustainable. Among the co-founders of DNDi were major public sector research institutions in Brazil, India, Kenya and Malaysia. DNDi has leveraged these relationships by building a decentralized structure of regional and continental hubs for conducting research and development in proximity to places where neglected diseases are endemic.

Under the alliance, DNDi and GARDP benefit from the capacities and credibility of this network and can use offices to optimize staffing and share overhead costs. For example, DNDi's regional office in Rio de Janeiro has enabled GARDP to hire a full-time staff member for Latin America, and its Director provides GARDP with political support. Thanks to this arrangement, GARDP has not needed to set up its own legal entity and office in Latin America. In South Africa, GARDP Africa hosts DNDi staff and is managing an EDCTP project on behalf of DNDi. In Japan and Malaysia, the DNDi offices host GARDP staff. Where the workload does not justify full-time positions, the two organizations share positions, for example for communications in Japan and finance in India.

In terms of cost sharing, usually the hosted organization will contribute to the costs of administration, finance, and overhead, calculated as a percentage of the salaries of the hosted staff.

Brasilia, left to right:
DNDi Policy Advocacy Director Michelle Childs, GARDP Regional Head LATAM Susana Ribeiro, and DNDi Latin America Director Sergio Sosa-Estani. During the Brazil G20 presidency in 2024, GARDP and DNDi worked together to advocate for the establishment of the Coalition for Local and Regional Production, Innovation, and Equitable Access, an initiative to promote access to vaccines, therapeutics, diagnostics, and other health technologies for neglected diseases and persons in vulnerable situations.

Geneva:
GARDP and DNDi share their main office and jointly cover the salaries of the facility managers and receptionists. This arrangement improves the quality of services while reducing overhead costs.

2   **CMC (Chemistry, Manufacturing, and Controls) platform:** Inadequate drug formulation and development of the product manufacturing process is a major reason that drug development projects fail. DNDi and GARDP have made investing in CMC resources a top priority to reduce attrition rates in their R&D projects and to develop appropriate formulations for children and other target population groups, as well as for low-resource settings. Under the alliance, DNDi and GARDP share the CMC function that covers the R&D portfolios of both organizations. The result is a larger team in a range of strategic locations with a broader skill set. The CMC staff currently includes nine full-time employees (six for DNDi and three for GARDP), who work closely with a network of consultants. GARDP and DNDi are currently further developing this platform to be able to provide CMC services to other not-for-profit ventures and select private sector partners.

3   **Premises and office space:** In Geneva, GARDP and DNDi share their main office to support professional management of the premises and optimize use of office space. The organizations share meeting rooms and the reception area, but each organization has its own set of offices. The organizations jointly cover the salaries of the facility managers and receptionists, and they also co-organize certain recreational and team-building events. This arrangement creates opportunities to build cross-organizational relationships and improve the quality of services while reducing overhead costs and retaining autonomy.

4   **IT Collaboration:** Under the alliance, DNDi's IT department serves both DNDi and GARDP to generate efficiencies of scale and improve IT services overall, with increased protection against cyber threats. This set-up allows GARDP and DNDi to share costs for IT infrastructure (e.g. servers and software licenses) and staff (e.g. help desk) while maintaining a compliant IT environment. Certain applications like the budget management software are identical across organizations, which jointly benefit from developments like digitalization and automation. Other applications are restricted to the active directory of each organization. The organizations also share the costs and efforts of staying protected from cyber threats (including cyber monitoring, training, and input from experts), which would be very costly for each organization to do on its own.
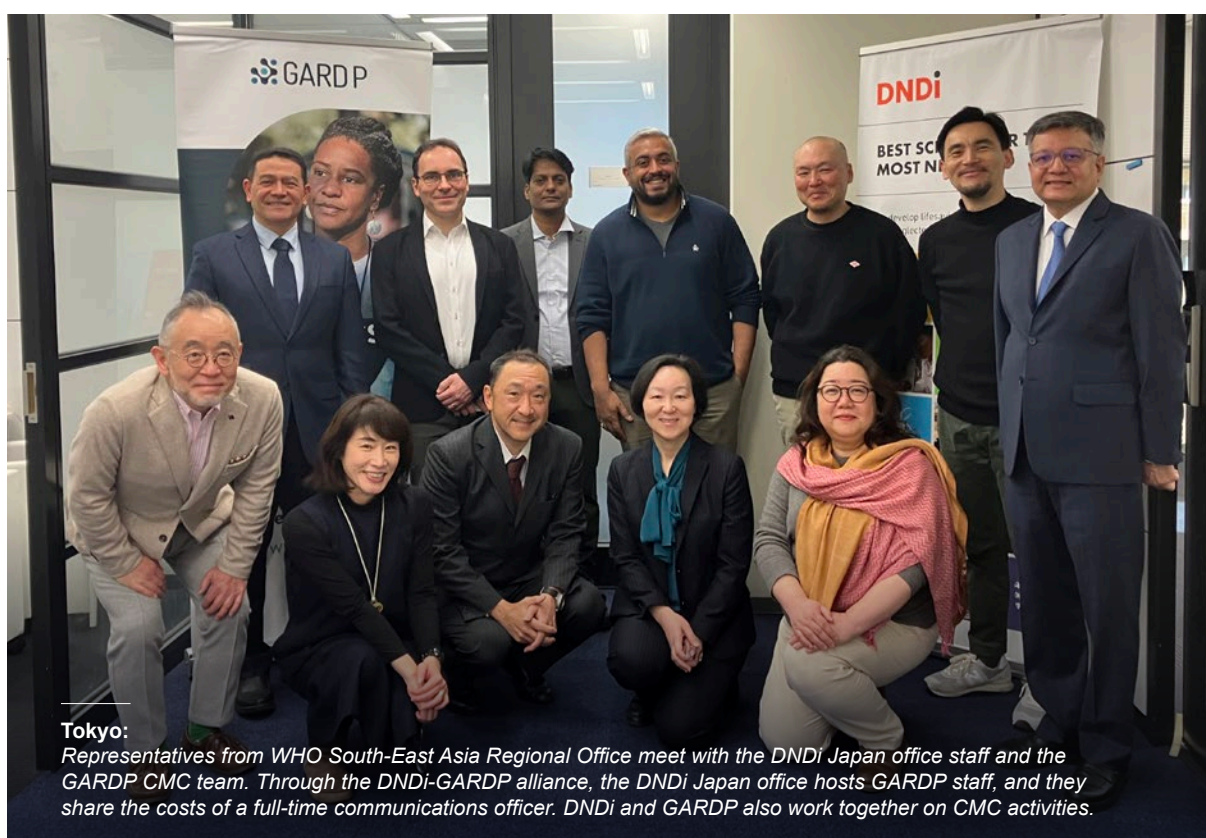
Tokyo:
Representatives from WHO South-East Asia Regional Office meet with the DNDi Japan office staff and the GARDP CMC team. Through the DNDi-GARDP alliance, the DNDi Japan office hosts GARDP staff, and they share the costs of a full-time communications officer. DNDi and GARDP also work together on CMC activities.

GOVERNANCE AND COSTS

DNDi and GARDP are independent organizations that each have their own governance structure and executive management, and they retain their own overall decision-making prerogatives. For areas of collaboration covered by the alliance, the organizations have set up a Joint Steering Committee (JSC), which meets quarterly. Direct and shared costs are reviewed annually or when deviations exceed 5% of the original budget, in order to realign financial commitments. Over time, the alliance has become simpler and more flexible, ensuring that it can adapt to changing organizational needs.

ADAPTING TO CHANGING NEEDS

Over time, as GARDP and DNDi have evolved, the areas covered by the alliance have changed. A good example is the procurement function. Under the alliance, DNDi and GARDP shared the costs of a full-time employee who managed procurement processes for both organizations. But by 2023, GARDP had become an organization with 99 staff and an annual budget of close to €26 million, and it needed its own staff member fully dedicated to procurement. The alliance agreement was adapted accordingly, so that procurement is no longer a shared function across the organizations.

Another example is related to environmental, social, and governance (ESG) principles. Triggered by increasing donor requests, DNDi and GARDP reviewed their ESG commitments and implementation in 2022 and 2025, respectively. Under the alliance,

DNDi and GARDP now share the costs of an in-house expert who reviews ESG commitments, performance and reporting. This staff member is part of the DNDi office in Kenya and contributes in equal measure to both organizations.

COST SAVINGS

The annual collaboration budget between DNDi and GARDP is about €2 million per year. The operational efficiency gains are estimated to be 25-50% of that annual budget. This means that in the past six years, the organizations have been able to save €3-6 million in mostly overhead costs. The cost savings are greater when taking into consideration the alternative costs of maintaining individual regional offices.

A MODEL FOR OPERATIONAL EFFICIENCY?

As global health organizations face mounting pressure to deliver greater impact with fewer resources, the DNDi-GARDP alliance offers a compelling example for how strategic collaboration can drive operational efficiency. Such an approach will be particularly successful if the following criteria are met:

1 **Aligned missions:** The organizations involved share an overarching mission and culture.

2 **Shared priorities and joint projects:** The organizations can identify concrete, shared objectives for cross-organizational collaboration with clear deliverables and accountability mechanisms.

ABOUT DNDi

The Drugs for Neglected Diseases initiative (DNDi) is a not-for-profit medical research organization that discovers, develops, and delivers safe, effective, and affordable treatments for neglected populations. Since its creation in 2003, DNDi has collaborated with public and private partners worldwide to deliver thirteen new treatments for six deadly diseases, saving millions of lives.

www.dndi.org

ABOUT GARDP

We are a not-for-profit global health organization driven to protect people from the rise and spread of drug-resistant infections, one of the biggest threats to us all. By forging the public and private partnerships that matter, we develop and make accessible antibiotic treatments for people who need them.

www.gardp.org