ybi | Youth Business International

Policy Paper

Harnessing AI and Digital Solutions to Empower Young Entrepreneurs

Beah

Contents

Introduction

Artificial intelligence (AI) is transforming the global economy at a rapid pace, presenting both remarkable opportunities and significant risks for young entrepreneurs.

For the next generation of innovators, AI has the potential to act as a democratising force — lowering traditional barriers to entry, amplifying creativity, and enabling small enterprises to compete on a global scale.

Yet, without deliberate action, these same technologies risk widening existing inequalities, leaving digitally disconnected youth further behind.

Youth Business International (YBI) recognizes this dual reality and seeks to enable solutions that ensure AI empowers all young entrepreneurs, not just the digitally privileged. Across the globe, young people face a stark digital divide: uneven access to reliable internet, limited exposure to emerging technologies, and insufficient opportunities to develop the skills needed to thrive in an AI-driven economy. These gaps threaten to entrench disparities in employment, business creation, and economic mobility — particularly in low-income and underserved communities.

Joshua Funches, Founder of National Youth Bike Council, USA, supported by Sky's the Limit

However, when access, education, and support are prioritised, AI becomes far more than a technological tool: it becomes an engine for inclusive entrepreneurship. Generative AI, low-code platforms, and other emerging digital solutions can enable young founders to design products, automate services, reach new markets, and make data-driven decisions without the need for large teams or extensive capital. These tools are uniquely positioned to level the playing field for resource-constrained entrepreneurs, fostering innovation that is both locally relevant and globally competitive.

This policy paper explores how intentional, inclusive interventions — from AI literacy and skills development to accessible infrastructure and targeted support programmes — can transform AI into a practical enabler of youth entrepreneurship. It highlights the urgency of equipping young innovators with the competencies, tools, and ecosystems needed to succeed in an AI-powered economy, while also outlining the policy actions, partnerships, and investment strategies required to ensure no young entrepreneur is left behind.

By focusing on inclusion, equity, and practical application, YBI envisions a future in which AI empowers young entrepreneurs to create sustainable businesses, generate meaningful employment, and drive transformative economic growth — ultimately ensuring that the benefits of the AI revolution are shared widely and equitably.

The digital and AI divide

In today's rapidly evolving digital economy, artificial intelligence (AI) is more than just a technological frontier — it represents a powerful lever for economic inclusion and transformation.

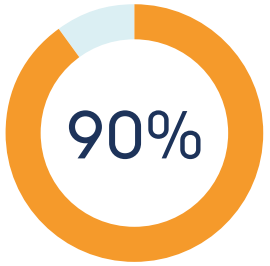
Yet, as AI accelerates innovation, it also risks magnifying existing inequalities — especially for underserved young entrepreneurs lacking access, resources, or digital literacy.

Despite significant progress, the global digital divide remains stark. In 2023, approximately 2.6 billion people — one-third of the global population — lacked internet access, according to data from the International Telecommunication Union (ITU). The divide is particularly severe between high and low-income countries with the former reporting over 90% of individuals using the internet, compared to just 26% in the latter, according to ITU data from 2022. This chasm undermines aspirations of digitally empowered entrepreneurship across many regions and reinforces entrenched economic inequalities.

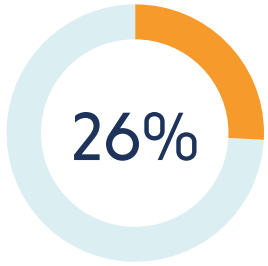
AI has the potential to act as a great equalizer. Generative and other accessible AI tools are removing traditional barriers to business creation. Today, an entrepreneur with industry know-how can design marketing content, automate services, analyse markets, or even build software — all without technical expertise, large teams, or costly infrastructure. Yet for those without internet access, these possibilities remain out of reach, deepening the gap between the digitally connected and the excluded.

At the same time, AI's energy intensity poses systemic challenges. Global electricity demand from AI is projected to triple by 2035, according to the International Energy Agency (IEA). For countries with fragile power grids, this creates a major constraint on sustainable adoption.

In 2023, approximately 2.6 billion people — one-third of the global population — lacked internet access



of people in high-income countries use the internet



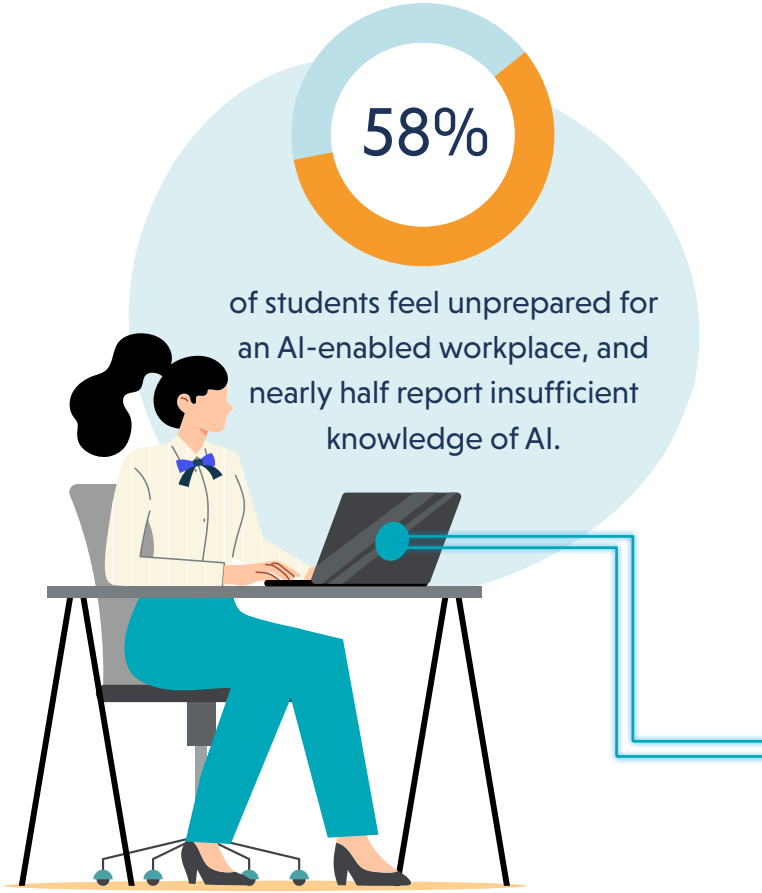
of people in low-income countries use the internet

Beyond connectivity, the financial barriers to meaningful AI adoption are steep. Training a large language model can cost millions of dollars, while even modest custom AI development ranges from USD 5,000–50,000, excluding licensing and maintenance, according to Charter Capital. For youth-led businesses operating on minimal budgets, such costs are prohibitive, however, the costs of late AI adoption are compounded over time. Early adopters can achieve significant efficiency gains, which may translate into lowering operating costs by 30–50%, accumulating proprietary data pipelines, and attracting scarce AI talent, creating durable advantages, according to Tribe AI. For youth-led SMEs competing on innovation rather than market dominance, falling behind the AI curve could prove catastrophic.

These challenges are amplified by a looming AI skills gap. According to the World Economic Forum's Future of Jobs Report 2025, AI and emerging technologies could create 170 million new jobs while displacing 92 million. To ensure young people can seize these opportunities, in both employment and entrepreneurship, large-scale upskilling and reskilling are critical. Without swift action, millions risk being left behind in the AI revolution.

Even among digitally connected populations, AI literacy remains widely lacking. According to the World Economic Forum, 58% of students feel unprepared for an AI-enabled workplace, and nearly half report insufficient knowledge of AI. With 450 million young people economically disengaged due to skill mismatches, according to the World Bank, gaps in AI fluency risk deepening exclusion.

For underserved young entrepreneurs, AI offers a transformative toolset: it lowers barriers to innovation, accelerates business creation, supports creation of more efficient business models, and enables creative problem-solving — regardless of resource constraints. But without intentional investment in connectivity, skills, infrastructure, and equitable access, many young people will remain spectators, not beneficiaries, in the AI economy.



With **450 million young people** economically disengaged due to skill mismatches, according to the World Bank, gaps in AI fluency risk deepening exclusion.

Unlocking the AI Opportunity for Young Entrepreneurs in Underserved Contexts

Young entrepreneurs bring distinctive strengths to the AI economy: agility, a willingness to experiment, and a deep understanding of the local challenges they aim to solve.

These qualities mean that, when equipped with the right tools and skills, they can deploy AI to create context-specific innovations — from optimising agricultural yields in rural communities to building affordable health tech solutions in low-resource settings. Yet unlocking this potential requires more than general digital training. Specialist support is essential: targeted AI literacy programmes, affordable cloud and compute access, user-friendly tools in multiple languages, and mentorship from both technical and business experts.

For those in underserved contexts, these interventions can transform AI from a distant concept into a practical growth driver. SAP's latest Africa AI Skills Readiness Revealed report found that 100% of surveyed organisations said that they saw an increase in demand for AI skills in 2025, and nearly 90% of survey responses report that AI skills shortages are already causing slower innovation cycles, client losses, and missed opportunities. Conversely, when AI capacity-building is embedded into entrepreneurship support, young founders can scale faster, enter new markets, and create jobs far beyond their own enterprises. Failing to act risks more than just individual missed opportunities. It would mean losing a generation of entrepreneurial problem-solvers at a time when their ingenuity is urgently needed to tackle economic inequality, climate change, and social fragmentation. By ensuring young entrepreneurs everywhere have the specialist AI support they need, we not only future-proof their livelihoods but also invest in a more inclusive, innovative, and resilient global economy.

100%

of surveyed organisations said that they saw an increase in demand for AI skills in 2025.

90%

of survey responses report that AI skills shortages are already causing slower innovation cycles, client losses, and missed opportunities.

By ensuring young entrepreneurs everywhere have the specialist AI support they need, we not only future-proof their livelihoods but also invest in a more inclusive, innovative, and resilient global economy.

Bridging Gaps: AI Access, Skills, and Support for Youth Entrepreneurship

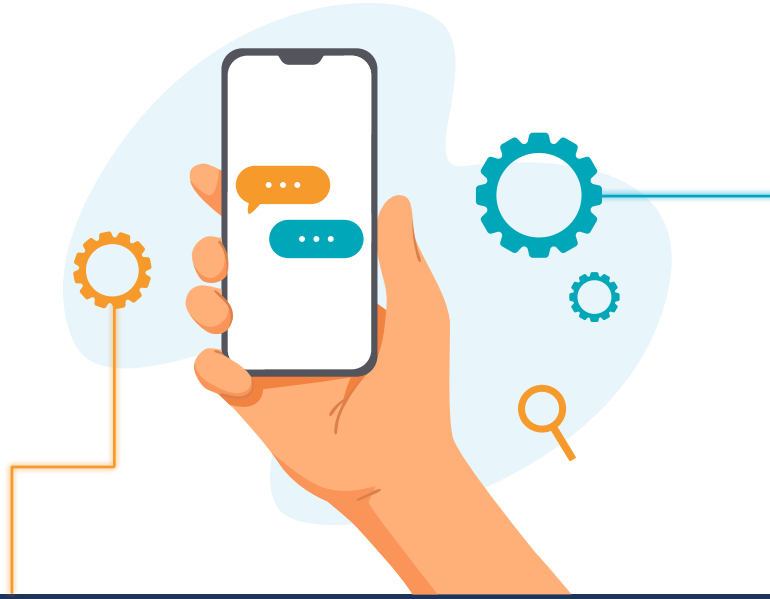
To fully realise the potential of AI for young entrepreneurs — particularly those in underserved contexts — the global entrepreneurship ecosystem must focus on targeted, practical, and scalable interventions.

This means not only identifying the most relevant types of AI tools, but also ensuring that these tools are accessible, affordable, and accompanied by the right support structures.

For early-stage and resource-constrained businesses, no-code and low-code AI platforms represent a critical entry point. These tools remove the need for advanced technical skills, allowing young founders to design websites, build apps, automate workflows, and analyse market data with minimal cost and complexity. Tools like ChatGPT, Claude, Gemini, and DeepL support business planning, drafting, and translation; Canva, Midjourney, and Photoroom provide affordable visual design; and Bubble and Make.com enable rapid prototyping without coding. In markets where access to skilled developers is limited, such platforms can dramatically accelerate product development and market entry. AI-powered design, content creation, and customer service tools — from generative copywriting platforms to multilingual chatbots — can also help entrepreneurs compete with larger firms, offering professional-grade outputs and 24/7 engagement without additional staff.

However, Generic AI tools often fail to capture the specific realities of underserved markets. Healthcare, agriculture, and education solutions trained on datasets from the Global North frequently misdiagnose conditions or overlook local languages and practices. Without investment in sovereign data and localised AI models, young entrepreneurs in the Global South remain dependent on foreign technologies that do not reflect their realities.

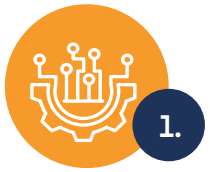
Beyond direct business applications, AI is also transforming how entrepreneurship education and training are delivered. Adaptive learning systems, which provide personalised feedback and resources, can strengthen entrepreneurial skills more effectively than traditional one-size-fits-all approaches. When embedded into incubator programmes or vocational training, these tools can bridge skill gaps, help founders develop robust business models, and improve investment readiness.



However, technology alone is insufficient. For young entrepreneurs to harness AI effectively, they need integrated support ecosystems — combining digital tools with mentorship, peer learning, and market access.

Crucially, none of these opportunities can be realised without affordable, reliable internet access. In 2023, 2.6 billion people — one-third of the global population — remained offline, with the gap most pronounced in low-income countries where only 26% use the internet. Expanding connectivity through infrastructure investment, public–private partnerships, and community-based solutions is foundational to enabling AI adoption. Without it, young entrepreneurs in the most underserved contexts will remain excluded from the digital economy, regardless of the tools or training available.

The priority for the global entrepreneurship ecosystem should therefore be fivefold:



Widen access to affordable, user-friendly AI tools that directly enhance productivity, creativity, and market reach.

Support localised and sovereign AI solutions by funding the development of AI trained on local languages and datasets to improve relevance and accuracy for businesses in the Global South.

Integrate AI into training and acceleration programmes, ensuring capacity-building keeps pace with technological change.

Strengthen ecosystem linkages by combining AI adoption with mentorship, investment readiness support, and access to markets.

Accelerate universal internet access, ensuring every young entrepreneur can connect to and benefit from AI opportunities.

By concentrating efforts in these areas, policymakers, support organisations, and investors can ensure that AI becomes a genuine enabler for young entrepreneurs everywhere — driving inclusive innovation, competitive growth, and sustainable job creation.

Good Practice Example: YBI's AI Accelerator Curriculum

Youth Business International's (YBI) AI Accelerator Curriculum is a pioneering example of how to equip young entrepreneurs — especially those in underserved contexts — with the confidence and capability to harness AI for business growth.

Unlike generic digital skills training, the programme embeds AI into a structured journey that strengthens business fundamentals first, ensuring that technology is applied to accelerate sustainable growth rather than amplify existing weaknesses.

In Chang Yoo, CEO of Intalk, South Korea, supported by Work Together Foundation

Crucially, the curriculum addresses the core challenges young entrepreneurs face in AI adoption:

AI skills gap

Entrepreneurs learn how to integrate practical, no-code AI solutions into lead generation, customer engagement, and content creation, without requiring advanced technical expertise. For example, participants use ChatGPT to strengthen their marketing content and create systematic, reliable and repeatable sales processes to help their business scale.

Accessibility and inclusion

The curriculum is designed for founders in underserved contexts who often lack reliable infrastructure, funding, or in-house technical staff. By focusing on simple, low-cost AI applications — such as automated email sequences, AI-assisted content drafting, and structured lead tracking — the programme ensures that even resource-constrained entrepreneurs can participate meaningfully in the AI economy.

Entrepreneurial sustainability

Modules on "getting better leads," "reducing acquisition costs," and "building reliable lead engines" equip young founders to use AI to grow sustainably rather than depend on sporadic or expensive channels. This not only strengthens their own businesses but also enables job creation and market access within their communities.

Future-proofing against inequality

By combining AI literacy with practical business system-building, the curriculum reduces the risk of exclusion. Participants are not left with abstract theory but leave the programme with live tools — such as cost calculators, qualification scripts, and automated outreach systems — that they can immediately apply to their ventures.

By combining AI literacy, affordable tools, and business system-building, the curriculum directly addresses the key barriers faced by young entrepreneurs: the AI skills gap, limited access to resources, and the digital divide. Many young entrepreneurs are very time- and resource-constrained, so the Accelerator focuses on practical, ready-to-use solutions that can be deployed immediately and deliver tangible results. Unlike other programmes that provide hours of content with little guidance on application, the AI Accelerator offers easy, plug-and-play systems that are directly relevant to participants' businesses and local market contexts. Crucially, participants leave not with abstract knowledge, but with actionable tools — from lead trackers to cost-efficiency dashboards — that enhance their business from day one.

YBI's AI Accelerator Curriculum demonstrates how intentional, inclusive AI support can transform young entrepreneurs from passive spectators of the AI revolution into active innovators, building sustainable businesses that create jobs, drive competitiveness, and foster inclusive growth.

Spotlight

Empowering young entrepreneurs in Bangladesh to adopt AI

YBI member Bangladesh Youth Enterprise Advice & Helpcentre (BYEAH) has taken a proactive approach to AI adoption, ensuring that both the organisation and the entrepreneurs it supports can harness the technology effectively.

Before guiding others, BYEAH made a deliberate decision to integrate AI into its own operations.

Previously, BYEAH's founder diagnostic process was highly manual — involving form reviews, note collation, manual scoring, and report drafting — taking up to five hours per founder. By introducing an AI-enabled diagnostic system that combines a digital intake form with a GPT-powered mini-app, BYEAH has reduced this process to just 45 minutes. This innovation has freed up staff capacity for higher-value work such as strategy, creativity, and community engagement.

This internal transformation laid the foundation for BYEAH's external support. The organisation helps young entrepreneurs apply AI to address real operational challenges and unlock growth. BYEAH now supports young founders to embed AI in their business models, improving revenue, strengthening partnerships, and enhancing scalability.

One example is BYEAH's collaboration with Nohor Initiatives, a youth-led social enterprise founded by 32-year-old Farid Uddin Khan, empowering persons with disabilities (PWDs) in Bangladesh through digital skills training, job placement, and advocacy. With BYEAH's technical support, Nohor integrated AI tools into its business operations, resulting in:

- Over 10 new partnerships within a year
- Launch of three productised services
- Approximately 25% increase in revenue

Building on this success, BYEAH and Nohor launched the BYEAH × Nohor AI Fellowship for Persons with Disabilities, equipping young PWDs with AI-ready skills such as Python, data literacy, AI-driven marketing, and customer service. The fellowship also includes entrepreneurship incubation, mentorship, access to seed finance, and AI-powered business planning tools. By embedding AI into both skills development and business-building, BYEAH's model reduces accessibility barriers, personalises support, and positions young entrepreneurs with disabilities to drive inclusive economic growth.

Looking ahead, BYEAH is collaborating with technical partners to democratise AI for small and medium-sized enterprises (SMEs). Planned innovations include AI agents and customised workflow automations designed to save 8–10 staff hours per week, streamline operations, and strengthen financial sustainability.

Through these efforts, BYEAH demonstrates how AI can serve as both an internal efficiency tool and an external enabler — empowering young entrepreneurs in Bangladesh to build more resilient, inclusive, and scalable businesses.

Farid Uddin Khan, Founder of Nohor Initiatives, Bangladesh, supported by BYEAH

Policy Recommendations: Unlocking AI for Inclusive Youth Entrepreneurship

To ensure that AI becomes a true enabler for young entrepreneurs everywhere — particularly those from underserved communities — we call on governments, multilateral organisations, funders, and private sector partners to take the following policy actions:

1

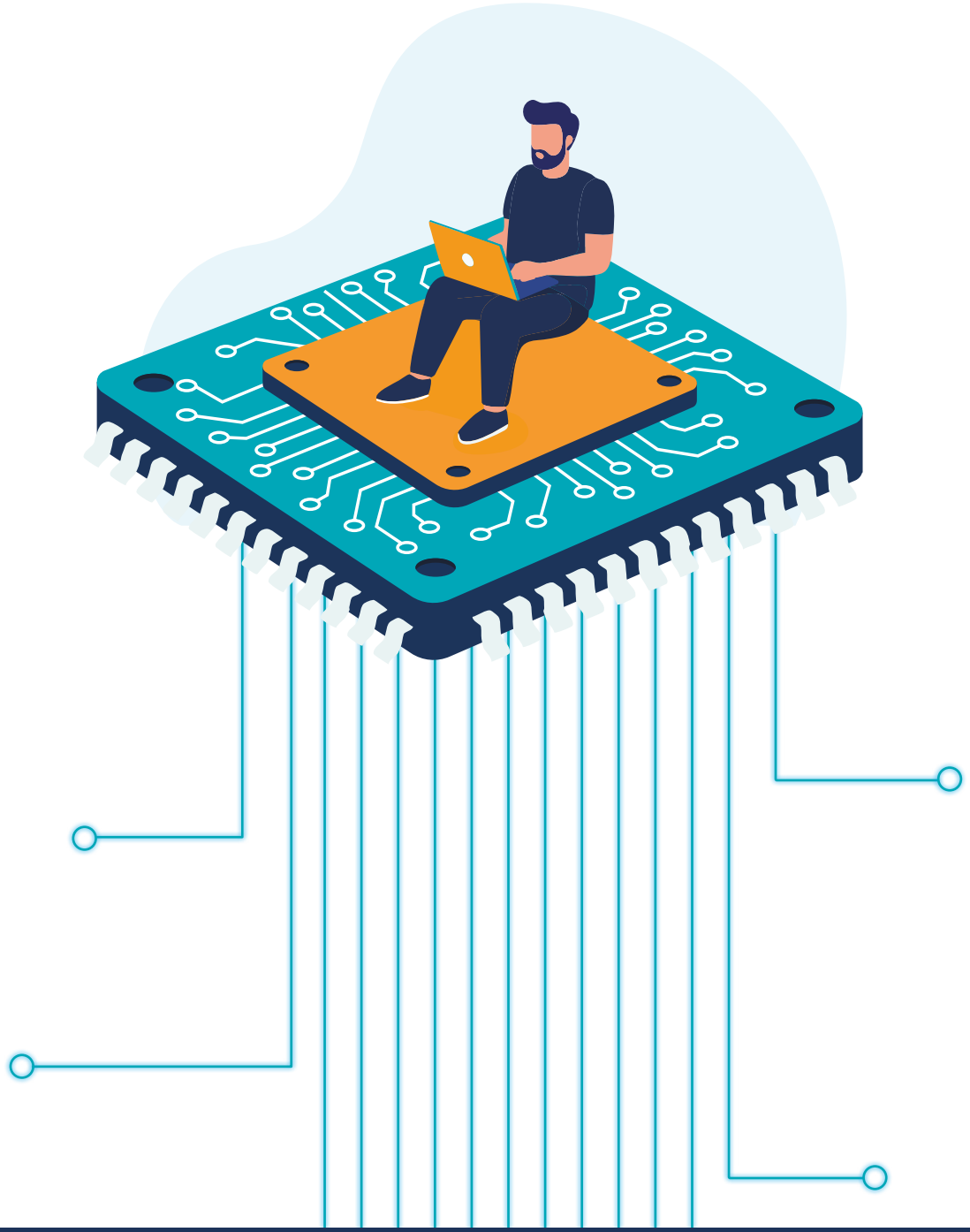
Universal, Affordable Digital Infrastructure

Invest in universal broadband access and community-based connectivity models, prioritising rural and low-income regions. Establish public–private partnerships to subsidise internet costs and ensure affordable data plans for young people.

2

Deliver Inclusive AI Education

Embed AI literacy and responsible AI use into national education curricula, vocational training, and entrepreneurship programmes. Support multi-language AI tools and training resources to bridge linguistic divides and focus not only on technical use but also on critical evaluation and ethics to prevent over-reliance.



3

Targeted Entrepreneurial Support for AI Adoption
Incentivise incubators, accelerators, and enterprise support organisations to integrate AI-enabled tools into their offerings. Fund specialist AI mentorship networks, pairing young founders with both technical experts and business advisors.

4

Establish SME-Friendly AI Governance
Develop simplified, risk-based AI regulations that reduce compliance burdens on small businesses and create regulatory sandboxes to allow youth-led ventures to safely test AI applications.

5

Support Localised and Sovereign AI Solutions
Fund the development of AI trained on local languages and datasets to improve relevance and accuracy for businesses in the Global South. Invest in sovereign AI infrastructure and regional hubs to reduce dependency on external platforms.

6

Foster Global Collaboration and Knowledge Sharing
Establish regional hubs, enable cross-border youth-to-youth learning, and support multilateral initiatives to close the AI skills gap.

About Youth Business International (YBI)

Youth Business International (YBI) is the global leader in youth entrepreneurship. For over 25 years we've combined global influence with local knowledge and experience.

Young entrepreneurs have the power to boost employment and drive economic growth, their fresh perspectives and bold ideas also have the potential to reshape industries and societies for the better. But for too many young people starting a business feels out of reach and they need the right support to succeed.

At YBI, we support aspiring young entrepreneurs around the world to start, scale and sustain their businesses. We develop and scale the most effective solutions to help young entrepreneurs succeed, from developing business skills, driving innovation and nurturing talent to unlocking finance and access to markets.

Join us to unleash the potential of young entrepreneurs to drive a generation for change.

About Bangladesh Youth Enterprise Advice and Helpcentre (BYEAH)

Bangladesh Youth Enterprise Advice and Helpcentre (BYEAH) is a mission-driven organization dedicated to equipping enterprising youth—including women and persons with disabilities—to become sustainable changemakers. We operate through two core strategies: our Enterprise Development Programs (EDP) and our Future Skills Development Program (FSDP).

Our HAT (Holistic, Agile, and Tailored) approach is central to our impact. We move beyond generic training to provide customised incubation, mentorship, and access to finance. This agility allows us to pioneer support in emerging fields, integrating critical technologies like AI to tackle the skills gap at its root.

By ensuring skills development is directly linked to business incubation, we empower a new generation of entrepreneurs to move from job seekers to job creators, ready to compete in mainstream markets.

ybi | Youth Business International

www.youthbusiness.org

www.byeah.org

Byeah