

Strategic Police Measures Against Structural Amusement-Business-Related Offenses

As changes in social structures have weakened interpersonal connections, and as rapid advances in the information and communications society have led to swift changes in people’s living environments and lifestyles, amusement businesses (including host clubs) that employ illegal or abusive business practices as well as online gambling offenses have become serious social issues. Behind these cases is the involvement of organized crime groups as well as anonymous and fluid criminal groups that generate illicit profits. To address these emerging public safety challenges, the police are promoting strategic measures, including a clearer understanding of actual conditions and enforcement.

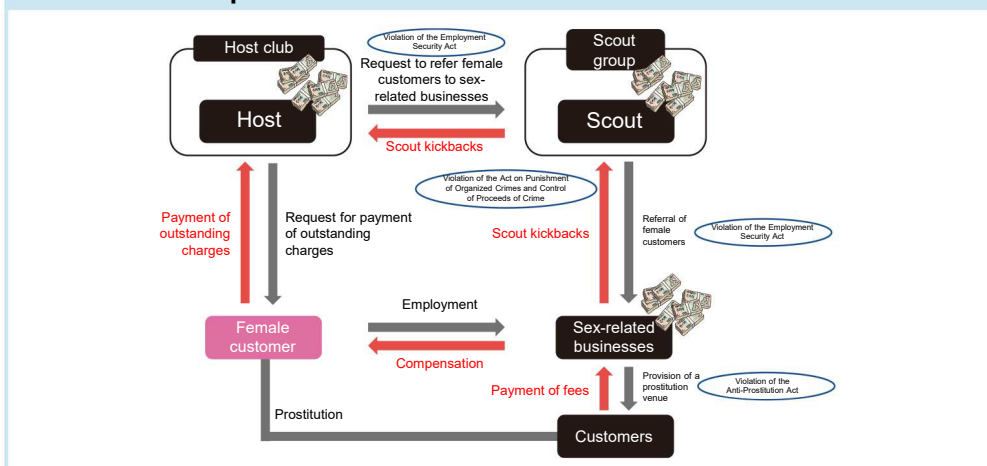
(1) Promoting the clarification of profit structures and enforcement related to abusive host clubs

At abusive host clubs, women are exploited by taking advantage of their affections, deliberately saddling them with large debts despite knowing that they will be unable to repay the debts, and then compelling them to work as prostitutes or at sex-related businesses. In some cases, host clubs collude with sex-related businesses and intermediary scout groups that link them, systematically exploiting women to generate illicit profits. In 2024, the police took enforcement action in 81 cases related to abusive host clubs (Note 1) and arrested 207 individuals, representing year-on-year increases of 39 cases (92.9%) and 121 individuals (140.7%) (Note 2).

CASE

In February 2023, a 28-year-old male host club employee and a 33-year-old male scout, who was in the business of referring women to sex-related businesses and similar establishments, referred a 19-year-old female customer of the host club to a sex-related establishment in Oita Prefecture in order to have her pay outstanding charges. These two men received compensation for the referral from the 59-year-old female operator of the establishment—commonly referred to as “scout kickbacks”—while being aware that this compensation constituted part of the proceeds generated through the woman’s prostitution at the establishment. By August 2024, the two men had been arrested for violations of the Employment Security Act (referral to harmful employment) and the Act on Punishment of Organized Crimes and Control of Proceeds of Crime (receipt of criminal proceeds), while the female operator and others had been arrested for violations of the Anti-Prostitution Act (operation of a prostitution venue). The sex-related establishment was also found to have accepted referrals of women from a scout group believed to be an anonymous and fluid criminal group. As the group had carried out similar referral activities on a large scale nationwide, by April 2025, 12 individuals, including the group’s 33-year-old leader, had been arrested for violations of the Employment Security Act (referral to harmful employment), among other offenses. (Tokyo Metropolitan Police Department; Tochigi, Ishikawa, Gifu, and Oita Prefectural Police)

Chart III-1 Example of the revenue structure of an abusive host club



Note 1: Cases in which host club operators, employees, and others led women to engage in prostitution by taking advantage of host club charges, as well as cases involving other abusive business practices, such as operating without the required licenses and providing alcoholic beverages to persons under the age of 20
 Note 2: In addition to host club operators and employees, this figure also includes individuals closely involved with sex-related businesses to which women were referred.

In May 2025, during the 217th session of the Diet, amendments to the Act on Control and Improvement of Amusement Businesses were enacted to add compliance requirements and prohibited acts for entertaining and food-and-drink-serving businesses ^(Note 1). The amendments entered into force in June of the same year ^(Note 2). The police are strictly enforcing the revised Act and are not limited to arresting individual hosts and scouts. They are working to dismantle illegal business models linked to abusive host clubs and to take enforcement action against those effectively responsible and the groups (as a whole) that ultimately profit from such activities. The police are intensifying the collection and analysis of information on links among related organizations and individuals, as well as the flow of illicit proceeds, to clarify the full scope of these activities.

Chart III-2 Overview of the Act to Partially Amend the Act on Control and Improvement of Amusement Business

1 Addition of compliance requirements to be observed and prohibited acts for entertaining and food-and-drink-serving business

- ▶ The following actions are prescribed as **compliance requirements** to be observed for amusement business operators engaged in entertaining and food-and-drink-serving businesses:
 - False explanations regarding charges
 - Demanding food, drink, etc., by exploiting customers' romantic feelings
 - Providing food, drink, etc. that has not been ordered by the customer
- ▶ The following actions are prescribed as **prohibited acts** for operators of entertaining and food-and-drink-serving businesses (**penalties apply**)
 - **Intimidation** to induce a customer to place an order or pay charges
 - **Demanding** that a customer engage in **prostitution (including overseas prostitution), work in a sex-related shop, or performing in pornographic videos, etc.** to pay charges, through **intimidation or enticement**

2 Prohibition of kickbacks from scouting by sex-related shops

- ▶ **Prohibits sex-related shop** operators from **paying introduction fees (so-called "kickbacks from scouting")** to scouts, etc. when receiving job applicant referrals from them (**penalties apply**)

3 Strengthen penalties for unlicensed businesses, etc.

- ▶ Strengthen penalties for unlicensed amusement business, etc.
(imprisonment for 2 years or less ⇒ **5 years or less**, fine of 2 million yen or less ⇒ **10 million yen or less**)
- ▶ Strengthening of corporate penalties related to the dual criminal liability provisions (fine of 2 million yen or less ⇒ **300 million yen or less**)

4 Exclusion of unqualified persons from the amusement business

- ▶ The following persons are added to the list of **disqualifications grounds** for amusement business license
 - Corporations whose parent companies, etc. have had their licenses revoked
 - Persons who return a license (in an attempt to evade punishment) after an entry and inspection by the Police
 - Persons whose business activities are under substantial influence of individuals likely to engage in violent unlawful acts, etc.



Public awareness materials concerning the Act to Partially Amend the Act on Control and Improvement of Amusement Business

Note 1: Businesses that entertain or provide food and drink to customers using installed facilities

Note 2: For an overview of the Act, please refer to the QR code.

