

# Practical Divisible E-Cash From Bounded Accumulator

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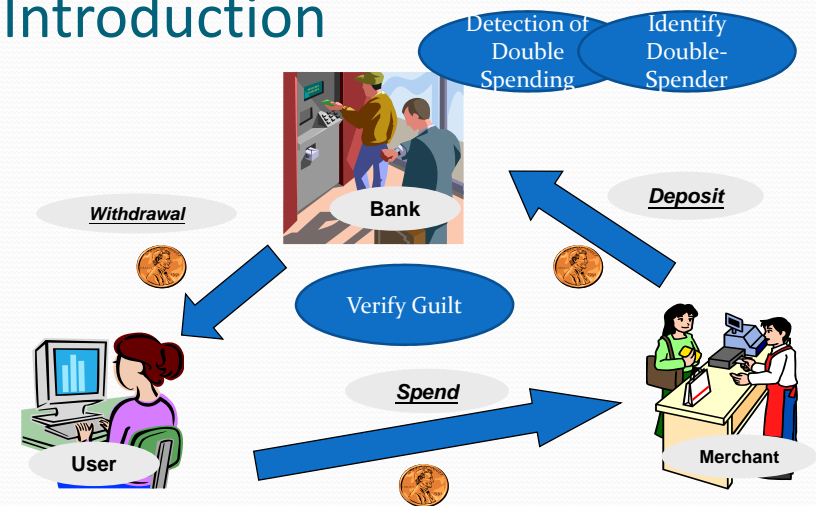
## Outline

- Introduction
- Requirements
- Useful Tools
- Our Construction
- Conclusion

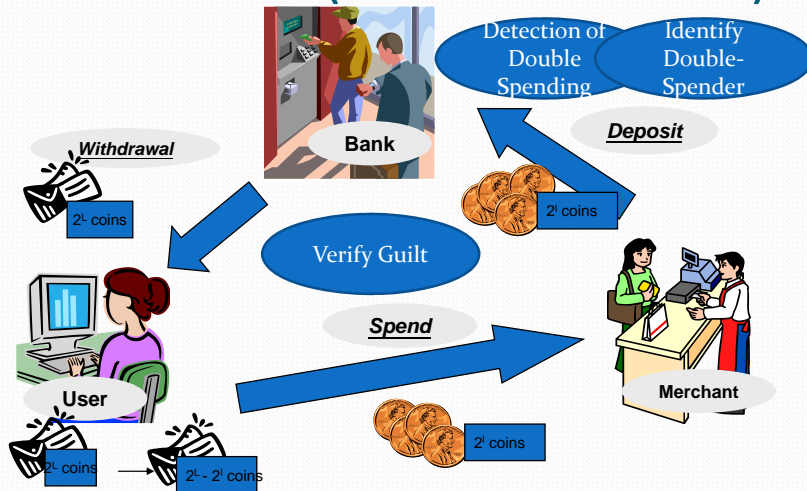
## Introduction

- Electronic Cash
  - Introduced by D. Chaum in 1982
  - 3 parties: Bank, User, Merchant
  - 4 main operations: Account Establishment, Withdrawal, Spend, Deposit

## Introduction



## Introduction (Divisible E-Cash)



## Requirements

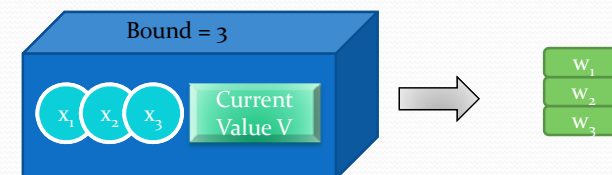
- Offline
- Balance
  - No collusion of users and merchants can deposit more than what they have withdrew without being detected
- Anonymity
  - Weak – anonymity of spender
  - Strong – spending of the user cannot be linked
- Identification of Double-Spender
- Exculpability
  - No collusion of bank, users and merchants can prove an honest user to have double-spent

## Useful Tools

- Bounded Accumulator [Au et al 07]
  - An accumulator accumulates multiple values into one single value such that, for each value accumulated, there is a witness proving that it has indeed been accumulated.
  - A bounded accumulator is an accumulator with the constraint that at most  $k$ , called the bound of the accumulator, values could be accumulated into the accumulator.

## Useful Tools

- Bounded Accumulator



Since the bound is 3, no more elements can be accumulated.

## Useful Tools

- Bounded accumulator
  - With  $x_i, w_i$  and  $v$  ( $i=1,2,3$ ), everyone can be assured that  $x_i$  has been accumulated.
  - On the other hand, it is hard to compute a witness-value pair  $(x^*, w^*)$  for a accumulator value, say  $v$ , if  $x^*$  is not accumulated (that is,  $x^* \neq x_1, x_2, x_3$ )

## Useful Tools

- Bounded Accumulator
  - Setting: Let  $G_1, G_2$  be a bilinear group pair such that there exists a pairing  $e: G_1 \times G_1 \rightarrow G_2$ . Let  $g_1, g_2, h$  be generators of  $G_1$ . Assume order of  $G_1$  and  $G_2$  is a prime  $p$ . Let  $\alpha$  be a secret random number and set  $h_1 = h^\alpha, \dots, h_k = h^{\alpha^k}$ .
  - To accumulate a set  $\{s_1, \dots, s_k\}$ , compute
    - $V = h^{\alpha + s_1} (\alpha + s_2) \dots (\alpha + s_k)$
  - The witness  $w_i$  of  $s_i$  being accumulated is
    - $w_i = h^{\alpha + s_1} \dots (\alpha + s_k) / (\alpha + s_i)$

## Useful Tools

- Bounded Accumulator
  - Given  $w_i, s_i$  and  $v$ , one can tell if  $s_i$  is accumulated in  $v$  by testing if  $e(w, h_1 h^{s_i}) = e(v, h)$
  - Using zero-knowledge proof of knowledge technique (ZKPoK), one can prove that he is in possession of a pair  $(s, w)$  such that the above relationship holds without revealing  $s$  and  $w$ .
  - One can also conduct a ZKPoK such that one is in possession of the triple  $(s, w, v)$  without revealing them.

## Useful Tools

- Signature Scheme with Efficient Protocols
  - Allow signing on message in commitment
  - Allow zero-knowledge proof-of-knowledge of possession of signature and message pair
  - Example: CL, CL+
  - However, the message space of the above scheme does not match with the need of our construction.
  - Modified Extended special signature (ESS+)
    - Message space is a cyclic group equipped with a bilinear map

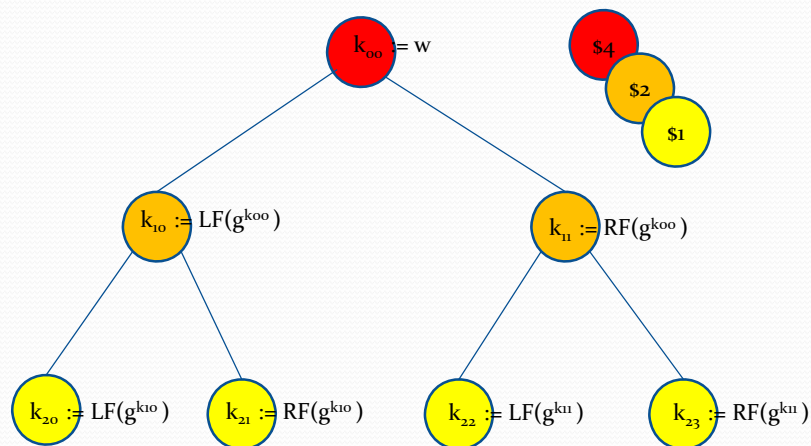
## Our Construction

- Our construction is motivated by the first divisible E-Cash with Strong Anonymity due to Canard and Gouget
- The main trick of our construction is the use of a bounded accumulator, in combination with the classical binary tree approach

## Our Construction

- User Alice is equipped with a DL type key pair,  $(pk, sk) := (u^x, x)$ .
- To withdrawal a  $2^L$ -spendable coin (or a wallet of value  $2^L$ ), construct a binary tree of  $L+1$  level.
- In the following, we consider an example with  $L = 2$ .
- Alice choose a wallet secret  $w$  and construct a binary tree of 3 levels as shown. This tree corresponds to a wallet of 4 coins.

## Our Construction



\*LF, RF are hash functions chosen by the bank

## Our Construction

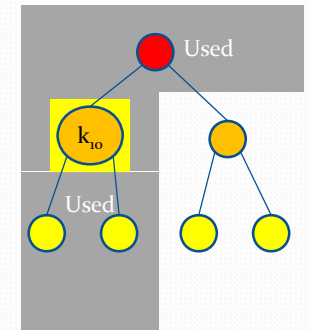
- Alice then “compresses” the binary tree using bounded accumulator:
  - Compute  $V_0$  as the accumulation of  $k_{00}$ ,
  - $V_1$  as the accumulation of  $k_{10}$ ,  $k_{11}$  and
  - $V_2$  as the accumulation of  $k_{20}$ ,  $k_{21}$ ,  $k_{22}$ ,  $k_{23}$
- The triple  $(V_0, V_1, V_2)$  is used by Alice to represent the binary tree.

## Our Construction

- Withdrawal Protocol:
  - Alice first identifies herself to the bank (by demonstrate the knowledge of  $x$  in the public key  $u^x$ )
  - Using a signature scheme with efficient protocols, Alice obtains 3 signatures from the bank, namely,
    - $\sigma_0 := \text{Sign}(V_0, x)$
    - $\sigma_1 := \text{Sign}(V_1, x)$
    - $\sigma_2 := \text{Sign}(V_2, x)$
  - Alice wallet of 4 coins consist of the binary tree and these 3 signatures ( $\sigma_0, \sigma_1, \sigma_2$ )

## Our Construction

- Now suppose Alice want to spend 2 dollars...
- She first chooses a node ( $k_{10}$ ) of suitable level and marked the sub-tree from this node as used.
- Compute Serial Number  $S := g^{k_{10}}$
- Compute Security Tag  $T := \text{PKh}^{Rk_{10}}$  where  $R$  is a random challenge from the Merchant.



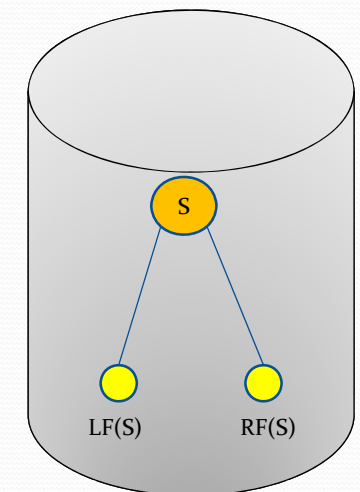
## Our Construction

- Spend Protocol:
  - Alice sends  $S, T$  to the merchant, along with a non-interactive zero-knowledge proof-of-knowledge  $\Pi$  on  $x, \sigma_1, V_1, k_{10}$  such that
    - $\sigma_1$  is a valid signature on  $(x, V_1)$
    - $k_{10}$  is a value accumulated in  $V_1$
    - $S = g^{k_{10}}$
    - $T = u^x h^{Rk_{10}}$

*\*The above is in fact proving that the node being used is in the  $i^{\text{th}}$  level of the binary tree, note also that the bank/merchant doesn't know whether Alice is using  $k_{10}$  or  $k_{11}$*

## Our Construction

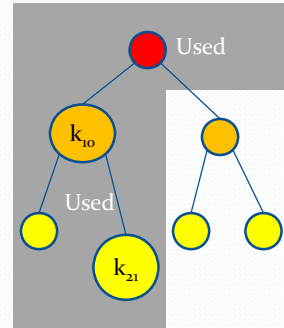
- Deposit:
  - Merchant gives the bank  $S, T$ , along with  $\Pi$  to the bank.
  - From  $S$ , the bank recovers the sub-tree from the node being spent and store it in its database of spent coins.



Bank's Database

## Our Construction

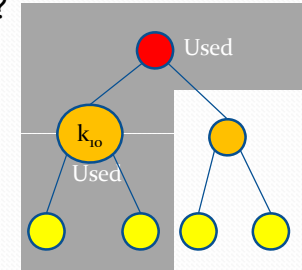
- What if Alice try to over-spend by using one of the descendant of a spent node?
  - Suppose Alice try to use  $k_{21}$
  - $S' = g^{k_{21}}$
  - $T' = u^x h^{R'k_{21}}$
  - As  $k_{21} = RF(g^{k_{10}})$  and  $g^{k_{10}}$  is in the bank's database already, Alice will be detected
  - Now from  $T' / h^{R'k_{21}}$ , public key of Alice is revealed



\*The case of spending an ancestor is the same

## Our Construction

- What if Alice reuses the same node?
  - $S' = g^{k_{10}}$
  - $T' = u^x h^{R'k_{10}}$
  - Now  $S$  in the bank's database is equal to  $S'$ , so Alice will be detected
  - The bank computes
  - $(T'R' / T^R)^{1/(R' - R)}$  and obtains the public key of Alice.



## Our Construction

- One remaining problem:
  - During the withdrawal protocol, how can the bank ensure Alice generate the accumulator values honestly?
  - Trivial Solution: zero-knowledge proof of knowledge...

## Our Construction

- Our approach: Statistical Balance...
  - With certain probability, the bank asks Alice to reveal  $w$ .
  - The bank then checks if Alice computes the accumulator values correctly.
  - Cheating is possible... However, as the accumulator is bounded, the gain of Alice is limited. (In our paper, the gain of a cheater is shown to be at most  $L2^L$ )
  - Thus, a fine of  $2L2^L$  is enough to discourage cheating if the bank checks every two withdrawal requests.

## Our Construction

- Theorem: Our scheme is secure in the random oracle under the q-SDH assumption and the AWSM assumption.

## Analysis

	User		Bank
	With Pre-Processing	W/O Pre-Processing	
<b>Withdrawal Protocol**</b>			
Multi-EXP	$2L + 2$	$2^{L+1} + 9L + 5$	$2^{L+1} + 8L + 6$
Pairing	$2L+2$	$2L+2$	0
	User		Merchant
<b>Spend Protocol</b>			
Multi-EXP	1	21	13
Pairing	0	6	8

\*Time Complexities

\*\* Assume the bank checks the withdrawal protocol every 2 requests

## Analysis

<b>Withdrawal Protocol**</b>	
G Element	$7L + 7$
$Z_p$ Element	$7L+8$
<b>Spend Protocol</b>	
G Element	9
$Z_p$ Element	21

\*Space Complexities

\*\* Assume the bank checks the withdrawal protocol for every 2 requests

## Conclusion

- We present a practical divisible e-cash with full anonymity.
- This is the second scheme of this kind in the literature while the first scheme is quite inefficient (spending of a single coin requires more than 800 Multi-EXP for normal parameters)
- However, our scheme requires a strong assumption.



# Thank You!

- Questions and Comments are Welcome!