

# Anonymous Lottery In the Proof-of-Stake setting

Foteini Baldimtsi<sup>\*1</sup>, Varun Madathil<sup>2</sup>, Alessandra Scafuro<sup>2</sup>, and Linfeng Zhou<sup>2</sup>

<sup>1</sup>Computer Science Department, George Mason University

<sup>2</sup>Department of Computer Science, North Carolina State University  
*foteini@baldimtsi.com, {vrmadath, ascafur, lzhou15}@ncsu.edu*

May 6, 2020

## Abstract

When Proof-of-Stake (PoS) underlies a consensus protocol, parties who are eligible to participate in the protocol are selected via a public selection function that depends on the stake they own. Identity and stake of the selected parties must then be disclosed in order to allow verification of their eligibility, and this can raise privacy concerns.

In this paper, we present a modular approach for addressing the identity leaks of selection functions, decoupling the problem of implementing an anonymous selection of the participants, from the problem of implementing others task, e.g. consensus.

We present an ideal functionality for anonymous selection that can be more easily composed with other protocols. We then show an instantiation of our anonymous selection functionality based on the selection function of Algorand.

## 1 Introduction

**Permissionless Blockchain.** Permissionless blockchains, first introduced in Bitcoin [1], are open systems where any party is allowed to participate by provably investing in some type of resource. Following this principle, many other permissionless blockchains have been developed which use different type of user resources (computation [1], memory [2], money [3–5], time [6], etc).

At the core of all permissionless blockchains, lies a mechanism for selecting the party that will decide how to extend the blockchain, that is, decide what will be the next added block. This is a challenging task in a permissionless setting, but thanks to the enforcement of provable user resources and assuming a fixed upper bound of adversarial resources, several selection methods have been shown to be effective. For example, in Bitcoin, the selection method is based on Proof-of-Work. The party to be selected is the one to first solve a computationally hard puzzle (which is fresh for each block and randomly generated by the system protocol). To participate in the selection, a party only needs to start working on the problem. Once a party finds a solution it can announce it and gain the right to extend the blockchain (as well as receive some rewards).

In Proof-of-Stake (PoS) blockchains (e.g., [3, 7]) instead, the selection is performed according to the amount of stake (e.g., tokens) a party owns in the system. For example, assuming that stake is money, a party is selected via a randomized process, with probability that is proportional to the amount of money she owns.

There is, however, a key difference between the two types of selection. In proof-of-work, the proof of winning the selection is a solution to a fresh, random puzzle, which can be completely disconnected

---

<sup>\*</sup>Research Supported by NSF grants #1012798, #1764025, Cisco Research Program Award CG#1194107

from the identity of the winning party. As an example, let us consider the case of Bitcoin. The first step of any party that wishes to participate in the selection process is to assemble the block  $B_{i+1}$  to be added next on the blockchain if the party gets selected. This block includes a pointer to the previous block  $B_i$ , a set of transactions and a Bitcoin address to which the potential reward will be sent. The exact information included in the block defines the puzzle that the party needs to solve. If a party solves the puzzle before hearing about any other solution in the meantime, it announces the block and the solution  $(B, \text{solution})$ . As long as the solution is valid and this was the first party to announce a solution for the next block, the party gets elected. What is interesting to note in this process is that the selection process does not depend on the identity of the party (the address included in the block  $B$  can always be a fresh one) – the proof of being selected is simply a valid puzzle solution for a given block. In contrast, in Proof-of-Stake selection it is not possible for parties to disconnect their identity from the proof of winning the selection, since their identity is part of the proof.

**Anonymous Selection in Proof-of-stake Settings.** The selection function used in known proof-of-stake consensus protocols must satisfy the following properties: privately evaluated, publicly verifiable and fair. The first property says that only the stakeholder can learn if she is eligible to speak next, thus, the selection function can be evaluated only with the knowledge of the secret key. This property is necessary for preventing adaptive corruption of the selected party, and is crucial for achieving consistency and chain-quality properties. The second property says that, a stakeholder  $PK_i$  can prove that she is eligible, by producing a proof that can be verified by anyone having access to  $PK_i$  (and corresponding stake). The last property says that the probability of being eligible follows a fixed and public metric of eligibility. This metric can be different in different applications. For proof-of-stake consensus, the metric of fairness is that a party wins with probability that is proportional to its stake. In general, PoS protocols can have different eligibility criteria (where the weight is scaled after a certain threshold, so that rich people are not selected too often). Independently of the eligibility criteria, a crucial property is that fairness must hold even in case parties generate their keys maliciously. That is, an adversary should not be able to craft keys that allow her to hit the eligibility criteria with higher probability.

In this work we focus on *anonymizing* the selection function in the Proof-of-Stake setting. Our goal is to provide a formal definition of anonymous selection, and show an instantiation.

## 1.1 Our Contributions

We now give an overview of our main contributions.

**A Flexible Definition of Anonymous Selection.** An anonymous Proof-of-Stake selection function should have all the properties of a regular PoS selection (e.g., privately evaluated, publicly verifiable, fair), but additionally it should guarantee that the proof of selection *hides the identity of the winner*.

To capture all the above properties, we design an ideal functionality that we call  $\mathcal{F}_{\text{Anon-Selection}}$ . Our ideal functionality allows parties to register their identity  $P_i$  (along with associated stake  $\text{stake}_i$  when relevant). Once all parties are registered, any party can start making eligibility queries which are associated to a “tag”  $\text{tag}$ . The semantic of a tag depends on the application that invokes the selection procedure. For example, in Algorand [7], a tag is a tuple  $(\text{round}, \text{step}, \text{seed})$  since this is the information that defines when a new selection process must be performed. Similarly, in Ouroboros PoS [3], a tag is of the form  $(\text{epoch nonce}, \text{slot number})$ . A party  $P_i$  can ask  $\mathcal{F}_{\text{Anon-Selection}}$  if she is eligible to speak for a certain  $\text{tag}$ .  $\mathcal{F}_{\text{Anon-Selection}}$  is parameterized by an eligibility predicate  $\text{Eligible}$ , which on input the tag  $\text{tag}$  and other information, such as stake, returns a bit  $b \in \{0, 1\}$ .  $\mathcal{F}_{\text{Anon-Selection}}$  correctly evaluates the predicate  $\text{Eligible}$  for  $P_i$ .

If eligible,  $P_i$  can then send  $\mathcal{F}_{\text{Anon-Selection}}$  a message  $m$ , and obtain a proof  $\pi$ , for  $m$  and tag  $\text{tag}$ . For example, in Algorand  $m$  could be a protocol message for the underlying Byzantine Agreement, or a block proposed by a leader. Only  $P_i$  can check her own eligibility, and this captures the *private evaluation* property. The *fairness* property is captured by the fact that  $\mathcal{F}_{\text{Anon-Selection}}$  only computes a valid proof for parties that pass  $\text{Eligible}$ .

The proof  $\pi$  does not have any identity attached – capturing the *anonymity* property. Any other party  $P$  (even if not registered in the system) can later query  $\mathcal{F}_{\text{Anon-Selection}}$  to verify that  $\pi$  is a valid proof for  $m, \text{tag}$ , and get yes/no as an answer. This captures the *public verifiability* property. Furthermore, only proofs that are generated by  $\mathcal{F}_{\text{Anon-Selection}}$  will correctly verify, and this captures the correctness and fairness of the system. An ideal functionality for anonymous lottery is also defined in a concurrent work [8] (that we discuss in more details in Section 1.2). Their definition differs from ours in the following crucial aspect. In [8], when an eligible party asks the functionality to send  $m$  for tag entry, the ideal functionality will broadcast the message  $m$  to all parties in the system. This indeed captures what typically happens in a consensus protocol, where messages are broadcast to all parties. However, this approach presents some potential drawbacks. First, anonymous selection and anonymous broadcast seem to be problems of different nature – one is at application level, the other is at network level. In particular, the guarantees that one can achieve against an adversary that can only act at application level might be much stronger than the guarantees one could hope to achieve against an adversary that works at network level. Indeed, it has already been observed in previous work (see Sec VI - C of [9], Sec 5.1 and 5.2 of [5] and Sec 4.2 of [10]) that there is some seemingly inherent leakage at network level that an adversary can exploit. Therefore, the anonymity guarantee promised by the functionality described in [8] might not be necessarily realizable (even in the ideal anonymous broadcast hybrid model). Second, an ideal functionality that enforces broadcast cannot be used in protocols where parties do not need/want to broadcast their eligibility to the entire network.

Our ideal functionality instead provides a proof  $\pi$  of eligibility for a party  $P_i$  and does not enforce any further action. This proof is an actual string that  $P_i$  can use in another protocol. This makes our ideal functionality more flexible and, we think, more easily composable with other protocols. In our work we first present an ideal functionality that allows parties to be eligible with the same weight. This can capture the lottery of Ouroboros style protocols where parties are selected with the same weight (but are selected more often based on their stake - in different  $\text{tag}$ ). Our functionality also captures the lottery of Algorand if we assume that each user is associated with one unit of stake. To capture the lottery functionality of Algorand where parties with different stake amounts are selected with different weights, we present a modification of our ideal functionality for the multi-stake setting  $\mathcal{F}_{\text{Anon-Selection-MS}}$  in Appendix C. Note that the ideal functionality of [8] does not capture this selection with multiple weights and cannot be used directly to replace the lottery function of Algorand.

**Instantiation from Algorand Selection Function.** We provide an implementation of  $\mathcal{F}_{\text{Anon-Selection}}$  based on the underlying selection function of the Algorand protocol (as described in [7], which works as follows. In Algorand, a party  $P_i$  is identified by its public key  $\text{pk}_i$ . In order to check availability for a certain  $\text{tag}$ , she uses her private (signing) key  $\text{sk}_i$  to compute a signature on  $\text{tag}$ :  $\sigma_i = \text{SIG}_{\text{sk}_i}(\text{tag})$ . This signature is given as input to a random oracle  $\mathcal{H}$ , i.e.  $y = \mathcal{H}(\sigma_i)$ . The random output  $y$  is then used to check eligibility: if  $y$  is below a threshold  $T$ , the party is selected, and the proof is simply the pair  $(y, \sigma_i)$ . In order to verify such a proof one needs to use  $\text{pk}_i$  to verify the signature, and this obviously requires leaking the identity of the selected party.

To anonymize this selection function, a naïve approach would be to simply send  $y$ , and add a zero-knowledge proof for the statement: “ $y$  is the correct output of the random oracle evaluated on input a signature  $\sigma$  that verifies under *some*  $\text{pk}_i$  present in the system (i.e., in the set of all published public keys).” Note that the pre-image  $\sigma_i$  of the random oracle must remain hidden, since it reveals the identity of the stake-holder.

This straightforward approach, however, fails when  $\mathcal{H}$  is modeled as a random oracle, since it can only be used as a black-box in the protocol. Thus one cannot prove properties of pre-images of the random oracle unless the random oracle is used as a black-box in the zero-knowledge proof (and no succinct *reusable* black-box proofs are known to exist so far). On the other hand, we stress that one cannot simply replace  $\mathcal{H}$  with a concrete hash function in the proof, since the perfect unpredictability property of the random oracle is crucially used in the proof of security, when arguing security against maliciously chosen keys (for example see Sec. 3.2 of [11]).

Thus, as our second contribution we show how to overcome the above issue and avoid using the

random oracle in the zero-knowledge proof, while still maintaining the same selection function of Algorand. We devise a method that allows one to prove properties about the “pre-image” of the output of the random oracle, while still using the random oracle as a black-box. Our approach is the following. Instead of proving a statement about a secret function applied on the *input* of the random oracle  $\mathcal{H}$  we prove a statement about a secret function applied to the output of  $\mathcal{H}$ , which can be public. Crucially, we need that the function applied to the output  $y$  does not disturb the unpredictability properties we get from the random oracle. To do so, we use trapdoor *permutations*.

Our anonymous selection function therefore works as follows. For each tag  $\mathbf{tag}$ , there is a public value associated to a party  $P_i$  which is  $V_i = \mathcal{H}(i|\mathbf{tag})$ , and can (but it does not have to) be computed by everyone. Each party  $P_i$  also has associated a public key  $\text{TRP.pk}_i$  for a trapdoor permutation  $f$ . To check if eligible to speak for tag  $\mathbf{tag}$ , a party  $P_i$  proceeds as follows. She uses her trapdoor key  $\text{TRP.sk}_i$  to compute  $v_i = f_{\text{TRP.sk}_i}^{-1}(V_i)$  and then use randomness  $v_i$  to run predicated Eligible, which in Algorand simply consists to check if  $v_i < T$ . If eligible,  $P_i$  computes a succinct non-interactive ZK argument (e.g. [12,13]) proving that she knows a pre-image of one of the  $V_i$  that makes her eligible. Note that values  $V_1, \dots, V_N$  can be computed by everyone since they do not require any secret. In fact they can be pre-computed in advance, and consumed as the protocol proceeds. Note also that the statement of the zero knowledge proofs does not need to contain the list  $V_1, \dots, V_N$  but only their accumulated representation, that is, the root of a Merkle Tree.

## 1.2 Related Work

Concurrently and independently to our work there have been two relevant proposals: a framework of anonymous PoS proposed by Ganesh, Orlandi and Tschudi [8] (in Eurocrypt’19) and the “Ouroboros Crypsinous” protocol proposed by Kerber, Kohlweiss, Kiayias and Zikas [5] (in IEEE S&P’19). We will discuss both results and explain how we differ.

The work by Ganesh et al. [8] is the most closely related to ours. They introduce a clean framework to capture and abstract the lottery aspect of proof-of-stake with an ideal functionality, that they call  $\mathcal{F}_{\text{lottery}}$ . As discussed earlier, the main difference with our formulation is that their ideal lottery functionality captures more than just lottery, since it also enforces broadcast of eligible messages, and this modeling choice could present potential drawbacks. We also note that even though  $\mathcal{F}_{\text{lottery}}$  abstracts the lottery from the claimed results, it is unclear how  $\mathcal{F}_{\text{lottery}}$  is/can be used as a black-box. Concretely, when claiming that “Ouroboros Praos instantiated with private lottery results in a private proof-of-stake protocol” (See Corollary 1 of [8]), the *informal* proof does not actually use the ideal lottery functionality  $\mathcal{F}_{\text{lottery}}$ , parameterized with the eligibility predicate used in Ouroboros Praos. Rather it uses the specific (game-based) security properties of the specific implementations of the anonymized version of the VRF used in Ouroboros Praos. This raises some confusion about whether one should think that Ouroboros Praos (with Anonymized VRF) is a secure realization of  $\mathcal{F}_{\text{lottery}}$  or whether  $\mathcal{F}_{\text{lottery}}$  can be used as a building block to realize a “private-proof-of-stake” protocol (though no definition of “private-proof-of-stake” protocol is provided in [8]).

Finally, [8] originally implemented  $\mathcal{F}_{\text{lottery}}$  by employing the VRF used in Ouroboros Praos, which is anonymized by simply adding a SNARK to prove that the VRF verifies correctly. Such implementation required the verification algorithm to evaluate the random oracle, and thus suffered from the issue of proving a property about the output of a random oracle (which we discussed above). An updated version of [8] can be found in [14] which replaces the VRF of Ouroboros Praos with the one used in Ouroboros Crypsinous [5] and avoids using the random oracle in the verification circuit used in the SNARK. We instead give an implementation based on Algorand’s selection function. Similarly to us, [8] guarantees anonymity only in presence of static adversaries. Note however that our construction could actually provide adaptive security for correctness (not anonymity). We discuss such an extension in Section 7.1.

Summing up, the key differences between our work and [8] is in the definition – our allows composability with more general protocols besides consensus– and in the instantiation – we use the selection function of Algorand, while [8] instantiate it using Ouroboros’s VRF.

Ouroboros Cryptos [5] does not focus on the general problem of anonymous selection in proof-of-stake setting, rather it focuses on defining private proof-of-stake blockchains. They provide an ideal “private ledger functionality” that aims to capture privacy of blocks and transactions. They then show how to build a private blockchain for payments extending the Ouroboros protocol with a confidentiality layer. Confidentiality is preserved in presence of “semi-adaptive” adversaries, that is, adversary that can corrupt a party at any time, but cannot access the state of the corrupted party immediately after corruption. Although their techniques are very interesting, they are tied to the Ouroboros PoS designs and private blockchains. Our work instead does not aim at adding anonymity to the Ouroboros blockchain specifically (though our technique could be used to hide the stakeholder identity in the Ouroboros blockchain).

## 2 Preliminaries

We start by setting the notation to be used throughout the paper. By PPT we denote a probabilistic polynomial-time algorithm. Let  $\lambda$  be the security parameter and  $\parallel$  denote concatenation. We denote the uniform sampling of a value  $r$  from a set  $D$  as  $r \leftarrow D$  and  $r_1, \dots, r_n \leftarrow D$  indicates that we sample from  $D$  a uniformly random subset of  $n$  elements. We use bold symbols for vectors of elements. For a vector  $\mathbf{v}$ , by  $\mathbf{v}[i]$  we denote the  $i$ th entry of the vector. We say a function  $f$  is negligible in  $\lambda$  if for every polynomial  $p$  there exists a constant  $c$  such that  $f(\lambda) < \frac{1}{p(\lambda)}$  when  $\lambda > c$ . Two ensembles  $X = \{X_{\lambda,z}\}_{\lambda \in \mathbb{N}, z \in \{0,1\}^*}$  and  $Y = \{Y_{\lambda,z}\}_{\lambda \in \mathbb{N}, z \in \{0,1\}^*}$  of binary random variables are said to be indistinguishable,  $X \approx Y$ , if for all  $z$  it holds that  $|\Pr[X_{\lambda,z} = 1] - \Pr[Y_{\lambda,z} = 1]|$  is negligible in  $\lambda$ .

Let  $\mathcal{R}$  be an efficiently computable binary relation. For pairs  $(\text{stmt}, w) \in \mathcal{R}$  we call **stmt** the statement and  $w$  the witness. Let  $\mathcal{L}$  be the language consisting of statements in  $\mathcal{R}$ .

**Non-Interactive Zero Knowledge Proof (NIZK)**, We recall the definition of a non-interactive zero knowledge proof system (adapted from [15] and [16]).

A non-interactive zero-knowledge proof system for a relation  $\mathcal{R}$  is defined as a set of probabilistic polynomial time algorithms  $\text{NIZK} = (\text{NIZK.Setup}, \text{NIZK.Prove}, \text{NIZK.Verify})$ .  $\text{NIZK.Setup}$  is a common reference string generation algorithm that produces a common reference string  $\text{crs}$  of length  $\Omega(\lambda)$ . The prover takes as input  $(\text{crs}, \text{stmt}, w)$  and by running  $\text{NIZK.Prove}$  produces a proof  $\pi$ . The verifier takes as input  $(\text{crs}, \text{stmt}, \pi)$  and runs  $\text{NIZK.Verify}$  to verify the proof. The following properties need to be satisfied:

- *Completeness*: The NIZK proof system is complete if an honest prover with a valid witness can convince an honest verifier. For all adversaries  $\mathcal{A}$  we have:

$$\begin{aligned} & \Pr[\text{crs} \leftarrow \text{NIZK.Setup}(1^\lambda); (\text{stmt}, w) \leftarrow \mathcal{A}(\text{crs}); \\ & \quad \pi \leftarrow \text{NIZK.Prove}(\text{crs}, \text{stmt}, w) : \\ & \quad \text{NIZK.Verify}(\text{crs}, \text{stmt}, \pi) = 1 \wedge (\text{stmt}, w) \in \mathcal{R}] = 1 \end{aligned}$$

- *Soundness*: A NIZK proof system is sound if it is infeasible to convince an honest verifier when the statement is false. For all polynomial size families  $\{\text{stmt}_\lambda\}$  of statements  $\text{stmt}_\lambda \notin \mathcal{L}$  and all adversaries  $\mathcal{A}$  we have:

$$\begin{aligned} & \Pr[\text{crs} \leftarrow \text{NIZK.Setup}(1^\lambda); \pi \leftarrow \mathcal{A}(\text{crs}, \text{stmt}_\lambda) : \\ & \quad \text{NIZK.Verify}(\text{crs}, \text{stmt}_\lambda, \pi) = 1] \leq \text{negl}(\lambda) \end{aligned}$$

- *Zero-Knowledge*: A NIZK proof system is zero-knowledge if the proofs  $\pi$  do not reveal any information about the witness. That is, if there exists a polynomial time simulator  $\mathcal{S} = (\mathcal{S}_1, \mathcal{S}_2)$ , where  $\mathcal{S}_1$  returns a simulated common reference string  $\text{crs}$  together with a simulation trapdoor

$\tau$  and an extraction key  $\text{ek}$ . The trapdoor  $\tau$  enables  $\mathcal{S}_2$  to simulate proofs without access to the witness. For all non-uniform polynomial time adversaries  $\mathcal{A}$  we have:

$$\begin{aligned} & \Pr[\text{crs} \leftarrow \text{NIZK.Setup}(1^\lambda) : \mathcal{A}^{\text{NIZK.Prove}(\text{crs}, \cdot, \cdot)}(\text{crs}) = 1] \\ & \approx \Pr[(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda) : \mathcal{A}^{\mathcal{S}(\text{crs}, \tau, \cdot, \cdot)}(\text{crs}) = 1] \end{aligned}$$

where  $\mathcal{S}(\text{crs}, \tau, \text{stmt}, w) = \mathcal{S}_2(\text{crs}, \tau, \text{stmt})$  for  $(\text{stmt}, w) \in \mathcal{R}$  and both oracles output *failure* if  $(\text{stmt}, w) \notin \mathcal{R}$ . Notice that we define the simulator  $\mathcal{S}_1$  as in [16], where  $\mathcal{S}_1$  not only outputs a simulated  $\text{crs}$  and a trapdoor  $\tau$ , but also an extraction key  $\text{ek}$ .

We require the NIZK arguments to satisfy the following simulation extractability property as defined in [16].

- *Simulation Extractability:* Simulation extractability is a strong notion which requires that even after seeing many simulated proofs (even for false theorems), whenever the adversary generates a new proof, a simulator is able to extract a witness. More formally, a NIZK proof system is said to be *simulation extractable* if it satisfies computational zero-knowledge and additionally, there exists a polynomial-time algorithm `Extract`, such that for any polynomial-time adversary  $\mathcal{A}$ , it holds that

$$\begin{aligned} & \Pr[(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda); (\text{stmt}, \pi) \leftarrow \mathcal{A}^{\mathcal{S}_2(\text{crs}, \tau, \cdot)}(\text{crs}, \text{ek}); \\ & w \leftarrow \text{Extract}(\text{crs}, \text{ek}, \text{stmt}, \pi) : \text{stmt} \notin Q \wedge \\ & \wedge (\text{stmt}, w) \notin \mathcal{L} \wedge \text{NIZK.Verify}(\text{crs}, \text{stmt}, \pi) = 1] = \text{negl}(n) \end{aligned}$$

where  $Q$  is the list of queries made by  $\mathcal{A}$ .

**Trapdoor Permutation.** We adapt the definition of trapdoor permutation from Bellare and Yung [17].

**Definition 1** (Trapdoor Permutation). *We say that  $(\text{TRP.KeyGen}, f, f^{-1})$  is a trapdoor permutation if the following conditions hold:*

- *Generation:* For all  $\lambda > 0$ , the output of `TRP.KeyGen` on input  $1^\lambda$  is a pair of  $\lambda$ -bit strings  $\text{TRP.pk}, \text{TRP.sk}$ .
- *Permutation:* For all  $\lambda > 0$  and  $(\text{TRP.pk}, \text{TRP.sk}) \in \text{TRP.KeyGen}(1^\lambda)$ , the maps  $f_{\text{TRP.pk}}(\cdot)$  and  $f_{\text{TRP.sk}}^{-1}(\cdot)$  are permutations of  $\{0, 1\}^\lambda$  which are inverse of each other. That is  $f_{\text{TRP.sk}}^{-1}(f_{\text{TRP.pk}}(x)) = x$  and  $f_{\text{TRP.pk}}(f_{\text{TRP.sk}}^{-1}(y)) = y$  for all  $x, y \in \{0, 1\}^\lambda$ .
- *Security:* For all probabilistic polynomial-time (PPT) adversaries  $\mathcal{A}$ ,  $\exists$  a negligible function  $\text{negl}(\cdot)$  such that

$$\begin{aligned} & \Pr[f_{\text{TRP.pk}}(x) = y : (\text{TRP.pk}, \text{TRP.sk}) \leftarrow \text{TRP.KeyGen}(1^\lambda); \\ & y \leftarrow \{0, 1\}^\lambda; x \leftarrow \mathcal{A}(1^\lambda, \text{TRP.pk}, y)] \leq \text{negl}(\lambda) \end{aligned}$$

### 3 Ideal Functionality for PoS Anonymous Selection

In this section we present a definition of our anonymous selection functionality  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  in the UC-framework of [18].

*Assumptions.* We first describe the assumptions of our ideal functionality.

**Stake:** We consider a setting where each party is associated with exactly one unit of stake. This ideal functionality can be used to replace selection in lottery based protocols like [11] and [7] if, for [7], we assume that each party is associated with one unit of stake. We take this approach to describe a

lottery functionality to pick winners with the same weight ( $=1$ ). This simpler functionality will allow to showcase how anonymity can be achieved in a simpler protocol, without trivializing the problem. To keep the notation general we use  $\text{stake}_i$  to denote the stake of party  $P_i$ . We also describe a modification of our ideal functionality to capture the lottery of [7] in the multi-stake scenario (under the assumption that majority of stake belongs to honest parties) where parties are selected with some weight in Section 7.2 and Appendix C.

**Registration:** Before the execution of the functionalities, all parties register themselves along with their stakes -  $(P_i, \text{stake}_i)$  with the functionality. By  $n$  we denote the number of registered parties. Similar to [8] we consider a *static setting* where new parties cannot register once the functionalities are being executed.

**Corruption model:** We assume static corruption, i.e. the corrupted parties are fixed throughout the entire execution. Note that we can achieve security against an adaptive adversary for correctness but achieve only static security for anonymity.

*Our proposed functionality.* We describe our anonymous selection functionality  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  in Figure 1. By  $\text{tag}$  we denote all public values corresponding to one execution of the protocol such as round and step number, random seed for the current round etc. Each registered party checks if it is “eligible” to speak for a tag  $\text{tag}$  by using the `EligibilityCheck` command which returns a bit  $b \in \{0, 1\}$ . If the party is eligible to speak for  $\text{tag}$ , then  $b = 1$ , otherwise  $b = 0$ . We stress that we add  $\text{stake}$  as an input for generality only. As mentioned above we assume that  $\text{stake}_i = 1$ . If a party is eligible to speak and wishes to send the message  $\text{msg}$ , she can later query the ideal functionality via the command `CreateProof, tag, msg` to obtain a proof  $\pi$  that she can use in any other protocol. Note that the  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  will provide such proof if the party was marked as Eligible for the  $\text{tag}$ . Any party that receives such a pair  $(\text{msg}, \pi)$  for a  $\text{tag}$ , can verify that the proof is correct by simply querying `Verify,  $\pi$ , tag, msg` to  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$ . Note that the verification does not require any information on the identity of the sender of the proof, thus capturing the property of anonymity. Moreover, we note that the ideal functionality only maintains a list of proofs and does not store the identity of the party along with the proof in the list  $\mathcal{L}$ .

**Functionality**  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$

The ideal functionality is parameterized by an Eligible predicate and maintains the following elements: (1) A global set of registered parties  $\mathcal{P} = ((P_1, \text{stake}_1), \dots, (P_n, \text{stake}_n))$ . (2) A table  $T$ , which has one row per party and a column for each  $\text{tag} \in \mathbb{N}$  given by parties when checking eligibility. The table stores the eligibility information of each party in each  $\text{tag}$ . (3) A list  $\mathcal{L}$ , to store a proof  $\pi$  corresponding to a message  $\text{msg}$  in some  $\text{tag}$ .

- Upon receiving ( $\text{EligibilityCheck}, \text{sid}, \text{tag}$ ) from a party  $P_i$  do the following :
  1. If  $P_i \in \mathcal{P}$  and  $T(P_i, \text{tag})$  is undefined, sample  $r \in \{0, 1\}^\ell$  run  $\text{Eligible}(r, \text{stake}_i, \text{tag})$  to get  $b \in \{0, 1\}$ . Set  $T(P_i, \text{tag}) = b$
  2. Output ( $\text{EligibilityCheck}, T(P_i, \text{tag})$ ) to  $P_i$
  
- Upon receiving ( $\text{CreateProof}, \text{sid}, \text{tag}, \text{msg}$ ) from  $P_i$ 
  1. If  $T(P_i, \text{tag}) = 1$ , send ( $\text{Prove}, \text{tag}, \text{msg}$ ) to  $\mathcal{A}$ . Else, send ( $\text{Declined}, \text{tag}, \text{msg}$ ) to  $P_i$ .
  2. Upon receiving ( $\text{Done}, \psi, \text{tag}, \text{msg}$ ) from  $\mathcal{A}$ . Set  $\pi \leftarrow \psi$  and record  $(\pi, \text{tag}, \text{msg})$  in  $\mathcal{L}$ . Send ( $\text{Proof}, \pi, \text{tag}, \text{msg}$ ) to  $P_i$
  
- Upon receiving ( $\text{Verify}, \text{sid}, \pi, \text{tag}, \text{msg}$ ) from some party  $P'$ :
  1. If  $(\pi, \text{tag}, \text{msg}) \in \mathcal{L}$  output ( $\text{Verified}, \text{sid}, (\pi, \text{tag}, \text{msg}), 1$ ) to  $P'$ .
  2. If  $(\pi, \text{tag}, \text{msg}) \notin \mathcal{L}$ , send ( $\text{Verify}, \text{sid}, (\pi, \text{tag}, \text{msg})$ ) to  $\mathcal{A}$  and wait for a witness  $w$  from the adversary  $\mathcal{A}$ . Check if  $w$  is valid as follows:
    - Parse  $w = (P_i, \text{tag}, \text{msg})$  and check that  $T(P_i, \text{tag}) = 1$
    - If yes, store  $(\pi, \text{tag}, \text{msg})$  in the list  $\mathcal{L}$  and send ( $\text{Verified}, \text{sid}, (\pi, \text{tag}, \text{msg}), 1$ ) to  $P'$ .

If either of these checks are false output ( $\text{Verified}, \text{sid}, (\pi, \text{tag}, \text{msg}), 0$ ) to  $P'$ .

Figure 1: Anonymous selection functionality

Our implementation additionally requires the standard random oracle functionality  $\mathcal{F}_{\text{RO}}$  which is defined in Figure 2.



**Functionality**  $\mathcal{F}_{\text{RO}}$ 

The functionality is parameterized by the security parameter  $\lambda$ . We write  $T[x] = \perp$  to denote the fact that no pair of the form  $(x, \cdot)$  is in  $T$ .

- Upon receiving  $(\text{EVAL}, x)$  from a party  $P$  do:
  1. If  $T[x] = \perp$ , sample a value  $y$  uniformly at random from  $\{0, 1\}^\lambda$ , set  $T[x] \leftarrow y$  and add  $(x, T[x])$  to  $T$ .
  2. Return  $(\text{EVAL}, x, T[x])$  to the requester.

Figure 2: The random oracle functionality

## 4 Realization of $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$

In this section we propose a protocol  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$  to realize the ideal functionality  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  from Section 3. Our realization is inspired by the selection algorithm of Algorand [7], which is run by every party to check if they are selected into a committee. To ease presentation we first describe how the selection algorithm of Algorand works in Section 4.1 before we present our implementation  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$  in Section 4.2.

### 4.1 Selection Function in Algorand

In Figure 3 we describe the selection function used in Algorand (that we recast using our notation). Specifically, we consider the function described in the so called “theoretical paper” [7] where it is assumed that each public key is associated with *one unit of stake*. This implies that during the selection process each party is either selected to participate in the next round of the Algorand protocol or not<sup>1</sup>. This is a quite natural property of lottery protocols where each party holds one or more tickets (public keys for the case of Algorand) and some of them are selected while others aren’t. Though our main construction is in this single-stake setting we give an intuition to extend the protocol to the multistake setting in Section 7.2.

The Algorand selection process works as follows. Parties run the Initialization protocol to generate their keys as soon as they join the network and publish their public keys: a master public key and a signature verification key, as  $(MPK, \text{SIG.pk}_i)$ . Using the master public key, each party generates a large number of ephemeral keys ( $U = 10^6 \times m$  according to [7], where  $m$  is the expected number of steps of each execution of the protocol).

Parties run the selection function at different stages of the protocol to check if they are selected to speak in a specific stage. In Algorand a stage is identified by step number, round number and a random seed. We will use the notation  $\text{tag}$  to capture the item for which the party wishes to test if she is selected. To check if a party can speak for an item  $\text{tag}$  the party first computes a value  $v_i = \mathcal{H}(\sigma_i)$  where  $\sigma_i$  is the signature computed over  $\text{tag}$  using the signing key. The random value  $v_i$  is then used as input to the function Eligible described in Figure 4.

Note that the Eligible function takes as input  $\text{stake}_i$  as well, but is not explicitly used since in our setting we assume that only one unit of stake is associated with each public key.

Parties who are eligible to speak can obtain a publicly verifiable proof via the algorithm **CreateProof**, which takes in input the message they want to send. Note that **CreateProof** also includes an ephemeral

<sup>1</sup>Note that in a later paper which describes the implementation of the Algorand system [19], it is assumed that each public key can have variable amounts of stake and during the selection process each selected party receives a weight that defines the power of the party in the later steps.

signature on the message to ensure adaptive security, that is if the party is corrupted later, it cannot create a valid signature since the ephemeral key is deleted immediately.

To verify, parties use procedure `Verify`, which will check the validity of the signatures using the public key and check that the hash satisfies the properties required by the function `Eligible`.

### Algorand's selection algorithm

A party  $(P_i, \text{stake}_i)$  runs the selection algorithm to check if it is eligible to send messages in a following step of Algorand's protocol. Each party maintains a `Table` that stores the `tag` the party is eligible to speak in.

#### Initialization( $1^\lambda$ )

- Generate signature key pair  $(\text{SIG.vk}_i, \text{SIG.sk}_i) \leftarrow \text{SIG.KeyGen}(1^\lambda)$ .
- Generate a master key pair  $(\text{MPK}, \text{MSK}) \leftarrow \text{KeyGen}(1^\lambda)$ .
- Generate ephemeral signature key pairs for  $|U|$  number of `tag`,  $\{\text{ESIG.sk}_{ij}, \text{ESIG.vk}_{ij}\}_{j \in 1 \dots |U|}$ .
- Publish  $(\text{MPK}, \{\text{ESIG.vk}_{ij}\}, \text{SIG.vk}_i)$

#### CheckEligibility(`tag`)

- Compute  $\text{sorthash}_i = H(\text{SIG}_{\text{sk}_i}(\text{tag}))$
- Run  $b_i \leftarrow \text{Eligible}(\text{sorthash}_i, \text{stake}_i, \text{tag})$ .
- Store  $\text{Table}(\text{tag}) = b_i$ .

#### CreateProof(`tag`, `msg`)

- If  $\text{Table}(\text{tag}) = 0$ , output  $\perp$ .
- If  $\text{Table}(\text{tag}) = 1$ , output  $(\text{ESIG}_{\text{sk}_i \text{tag}}(\text{msg}), \text{SIG}_{\text{sk}_i}(\text{tag}), \text{sorthash}_i, \text{tag})$

#### Verify( $\pi$ , `tag`, `msg`)

- Check that  $\text{SIG}_{\text{sk}_i}(\text{tag})$  is a valid signature.
- Check that  $H(\text{SIG}_{\text{sk}_i}(\text{tag})) = \text{sorthash}$ .
- Check that  $\text{Eligible}(\text{sorthash}_i, 1, \text{tag}) = 1$ .
- Output 1, if all checks pass.

Figure 3: Algorand's selection algorithm

**Function Eligible**( $v_i, \text{stake}_i, \text{tag}$ )

Global variables for the protocol are **totalStake** and  $\tau$ . **totalStake** defines the total stake of the parties in the network and  $\tau$  is the expected number of parties to be selected (this depends on the **tag**).

```

1:  $p \leftarrow \frac{\tau}{\text{totalStake}}$ 
2:  $b_i \leftarrow 0$ 
3: if  $\frac{v_i}{2^{\text{len}(v_i)}} < p$  then
4:    $b_i \leftarrow 1$ 
5: return  $b_i$ 

```

Figure 4: The eligibility predicate

## 4.2 Our Anonymized Selection Protocol

We now describe the protocol that realizes the  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  functionality using the selection function (Eligible) of Algorand. Following [7], we assume that each public key is associated with one unit of stake. Note that this does not trivialize the problem, since it is still necessary to hide the identity of the user eligible to speak. Thus in our instantiation and all further descriptions, assume that  $\text{stake}_i = 1$ .

We assume there is a mechanism in place to register the public keys of the parties. This should ensure that the party does not create more public keys than the stake it owns. This bootstrapping ensures that the list of public keys is fixed before the execution of the protocol and all parties can see this list of public keys.

The cryptographic primitives we require for our construction are:

1. Non-interactive zero knowledge proofs that allow the operations **NIZK.Setup**, **NIZK.Prove** and **NIZK.Verify**.
2. A trapdoor permutation scheme that allows parties to evaluate a trapdoor permutation on an input  $x$  using their public key **TRP.pk** by evaluating  $y = f_{\text{TRP.pk}}(x)$ . The parties can compute the inverse of  $y$  using the corresponding secret key **TRP.sk** by evaluating  $x = f_{\text{TRP.sk}}^{-1}(y)$ .
3. A signature scheme that allows parties to sign a message using their secret key (**SIG.sk**) -  $\sigma = \text{SIG.sign}(\text{SIG.sk}, m)$  and verification is done by **SIG.Ver**(**SIG.pk**,  $\sigma$ ,  $m$ )
4. A commitment scheme that allows parties to commit to a message  $x$ , by computing  $C = \text{Com}(x, s)$  and a pseudorandom function  $F$ , that parties can evaluate using their secret key **PRF.sk** by computing  $C^{\text{prf}} = F(\text{PRF.sk}, x)$

Described below are the different steps of the protocol:

Setup( $1^\lambda$ ): The public parameters **pp** contain the common reference string of **NIZK**,  $\text{crs} \leftarrow \text{NIZK.Setup}(1^\lambda)$  and a public list  $L$  initialized to  $\emptyset$ .

Initialization( $P_i$ ) (Key Generation):  $P_i$  runs the key generation algorithm, **KeyGen**, as soon as he registers with the network. **KeyGen** takes as input the public parameters **pp**. For each unit of stake that  $P_i$  owns, it does the following: Run **KeyGen** to output a PRF secret key  $\text{PRF.sk}_i \leftarrow \text{PRF.KeyGen}(1^\lambda)$ , compute a commitment to the PRF secret key  $C_i^{\text{prf}} = \text{Com}(\text{PRF.sk}_i; s_{\text{prf}})$ , a trapdoor permutation key pair  $(\text{TRP.pk}_i, \text{TRP.sk}_i) \leftarrow \text{TRP.KeyGen}(1^\lambda)$  and a signature key pair  $(\text{SIG.sk}_i, \text{SIG.vk}_i) \leftarrow \text{SIG.KeyGen}$ .  $P_i$  then publishes  $\text{pk}_i = (\text{TRP.pk}_i, \text{SIG.vk}_i, C_i^{\text{prf}})$  and stores the

secret key  $sk_i = (\text{PRF.sk}_i, \text{TRP.sk}_i, s_{prf}, \text{SIG.sk}_i)$ . The  $pk_i$  is published to a public list  $L$ . A Merkle tree,  $\text{MTree}(pk)$  with root  $rt_{pk}$  is created with this list

$$L = \{(C_i^{prf}, \text{SIG.vk}_1, \text{TRP.pk}_1), \dots, (C_n^{prf}, \text{SIG.vk}_n, \text{TRP.pk}_n)\}$$

and can be viewed by all parties in the world. The initialization protocol is described in Figure 6.

#### Protocol ProcessRO(tag)

The algorithm takes as input a **tag** and does the following:

- For all  $i \in [n]$ :
  1. Query  $(\text{Eval}, \text{tag}||i)$  to the ideal functionality  $\mathcal{F}_{\text{RO}}$ .
  2. Receive message  $(\text{Eval}, \text{tag}||i, V_i)$  from  $\mathcal{F}_{\text{RO}}$ .
- Output a vector  $\vec{V}$  where each element  $\vec{V}[i] = V_i$ .

Figure 5: ProcessRO algorithm

#### Protocol Initialization( $P_i, sid$ )

- 1: Generate  $(\text{TRP.pk}_i, \text{TRP.sk}_i) \leftarrow \text{TRP.KeyGen}(1^\lambda)$
- 2: Generate  $(\text{PRF.sk}_i) \leftarrow \text{PRF.KeyGen}(1^\lambda)$
- 3: Generate  $(\text{SIG.pk}_i, \text{SIG.sk}_i) \leftarrow \text{SIG.KeyGen}(1^\lambda)$
- 4: Sample  $s \leftarrow \{0, 1\}^\lambda$  and compute
 
$$C_i^{prf} := \text{Com}(s, \text{PRF.sk}_i)$$

The protocol publishes the variables :  $pk_i := (\text{TRP.pk}_i, \text{SIG.vk}_i, C_i^{prf})$  as leaves of  $\text{MTree}(pk)$  and returns  $sk_i = (\text{TRP.sk}_i, \text{SIG.sk}_i, (s, \text{PRF.sk}_i))$  to  $P_i$ .

Figure 6: Initialization protocol for  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$

EligibilityCheck( $P_i, \text{tag}$ ) : For each **tag**  $P_i$  runs the ProcessRO algorithm (see Figure 5) to compute a vector  $\vec{V}_{\text{tag}} = (\vec{V}_{\text{tag}}[1], \vec{V}_{\text{tag}}[2], \dots, \vec{V}_{\text{tag}}[n])$ , where  $n$  is the total number of keys (also equal to  $\text{totalStake}$ , since one key is generated for one unit of stake) in the system. The  $\vec{V}_{\text{tag}}$  is stored as a Merkle tree,  $\text{MTree}(\vec{V}_{\text{tag}})$  with root  $rt_{\vec{V}_{\text{tag}}}$ . The idea is that for each key,  $P_i$  owns in  $\text{MTree}(pk)$ , there is a corresponding  $\vec{V}_{\text{tag}}[i]$  in the same position in  $\text{MTree}(\vec{V}_{\text{tag}})$ . This vector  $\vec{V}_{\text{tag}}$  is computed for each **tag** and serves as a trapdoor permutation whose inverse ( $v_i$ ) is computed by the party. Only party  $P_i$  can compute the inverse of this permutation since only  $P_i$  knows the trapdoor secret key. To ensure that the party uses the correct secret key, we require that the position of  $\vec{V}_{\text{tag}}[i]$  and the tuple containing  $\text{TRP.pk}_i$  are the same in the corresponding merkle trees.

Using this  $\vec{V}_{\text{tag}}[i]$   $P_i$  computes

$$v_i = f_{\text{TRP.sk}_i}^{-1}(\vec{V}_{\text{tag}}[i]). \quad (1)$$

$P_i$  then evaluates the Eligible function as shown in Figure 4 to check if the party can speak for item **tag**. The eligibility check is shown in Figure 7.

**Protocol EligibilityCheck( $P_i, sid, \mathbf{tag}$ )**

- 1: Call  $\text{processRO}(\mathbf{tag})$  and receive  $\vec{V}_{\mathbf{tag}}$
- 2: Compute  $v_i = f_{\text{TRP.sk}_i}^{-1}(\vec{V}_{\mathbf{tag}}[i])$
- 3: Call  $\text{Eligible}(v_i, \text{stake}_i, \mathbf{tag})$  and receive  $b_{\mathbf{tag}}$
- 4: Output  $(b_{\mathbf{tag}}, v_i, \vec{V}_{\mathbf{tag}})$ .

Figure 7: Eligibility check for  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$

$\text{CreateProof}(P_i, \mathbf{tag}, \text{msg}_i, v_i, \vec{V}_{\mathbf{tag}})$  : If  $P_i$  is eligible to speak for item  $\mathbf{tag}$  it commits to its winning ticket  $v_i$ . The commitment is implemented using a pseudorandom function  $F$  and is constructed as follows :  $C_i^v = F(\text{PRF.sk}_i, v_i \parallel \mathbf{tag})$ .

We are required to hide the value  $v_i$  so that identity of the party is not revealed. (One may simply run  $f_{\text{TRP.pk}_i}(v_i)$  for all identities and identify who sent the message).

At the same time we require the commitment to be deterministic, else a malicious party may speak multiple times in the same  $\mathbf{tag}$ , with the same  $v_i$  by just using a different randomness each time. To ensure that a malicious party cannot send multiple (potentially conflicting) messages, we require the commitment to be deterministic and hence use a PRF.

$P_i$  then constructs a NIZK that proves the following statements:

- “I know  $v_i$ , such that  $\vec{V}_{\mathbf{tag}}[i] = f_{\text{TRP.pk}_i}(v_i)$ ”
- “I am eligible to speak for  $\mathbf{tag}$  according to randomness  $v_i$ .”
- “ $C_i^v$  is correctly computed as  $F(\text{PRF.sk}_i, v_i \parallel \mathbf{tag})$ ”
- “I know the path from  $\text{pk}_i$  which is the leaf of a Merkle tree  $\text{MTree}(\text{pk})$ , that contains commitment of my PRF secret key, trapdoor public key and signature verification key, to the root of the Merkle tree.”
- “I know the path from  $\vec{V}_{\mathbf{tag}}[i]$ , which is the leaf of a Merkle tree  $\text{MTree}(\vec{V}_{\mathbf{tag}})$  that contains all the elements in vector  $\vec{V}_{\mathbf{tag}}$ , to the root of the Merkle tree. ”

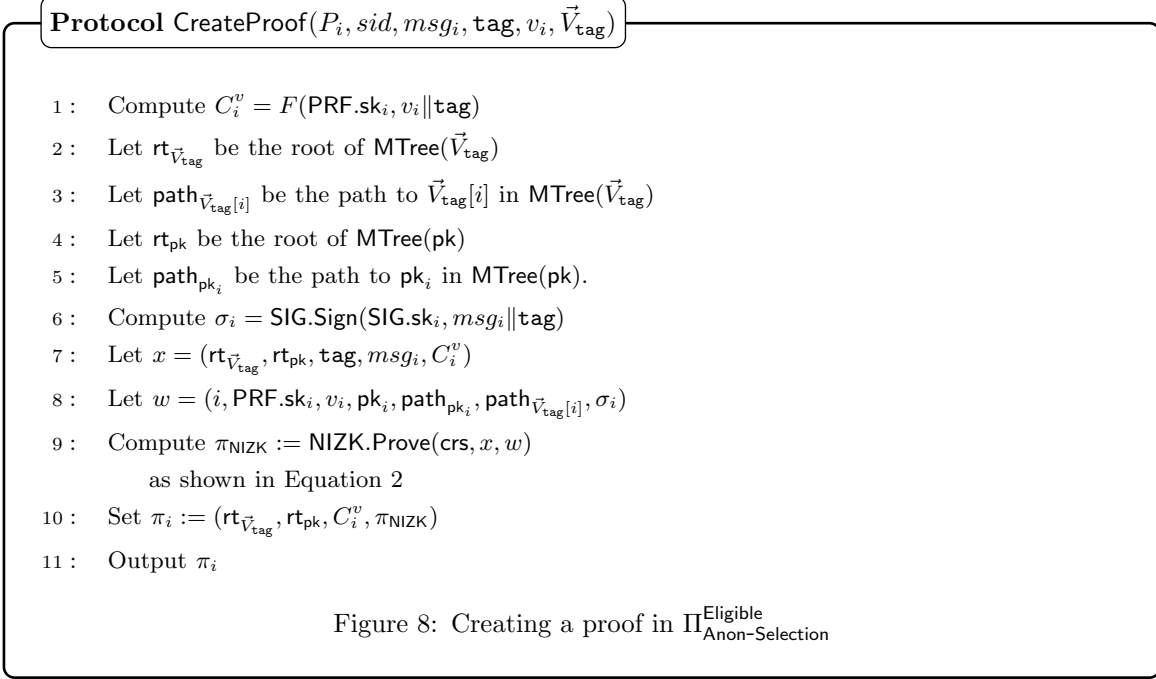
More formally, the NIZK statement and proof for the language  $\mathcal{L}$  characterized by the relation  $\mathcal{R}$  is computed as follows:

$$\pi \leftarrow \text{NIZK.Prove}(\text{crs}, x, w) \quad (2)$$

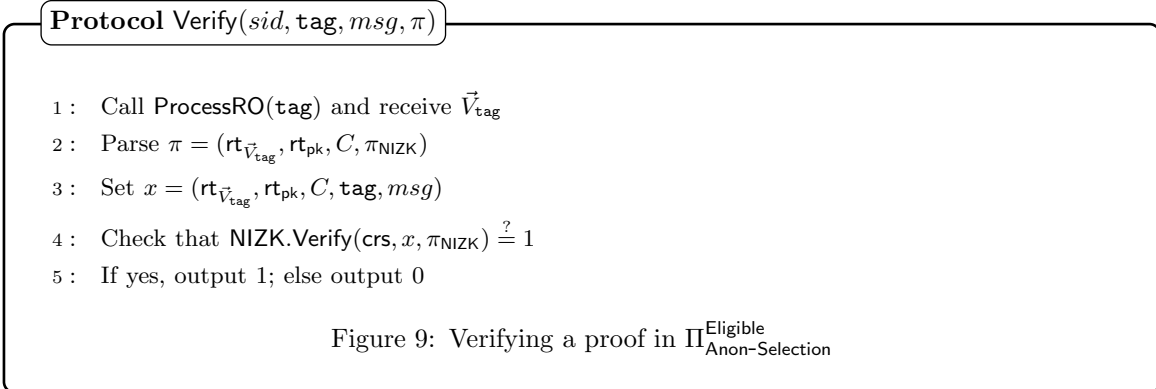
- statement  $x = (\text{rt}_{\vec{V}_{\mathbf{tag}}}, \text{rt}_{\text{pk}}, \mathbf{tag}, \text{msg}, C_i^v, \vec{V}_{\mathbf{tag}})$ .
- witness  $w = (i, \text{PRF.sk}_i, v_i, \sigma, s_{\text{prf}}, \text{pk}_i, \text{path}_{\text{pk}}, \text{path}_{\vec{V}_{\mathbf{tag}}})$ ,  
where  $\text{pk}_i = (\text{TRP.pk}_i, \text{Sig.vk}_i, C_{\text{prf}})$ .
- $\mathcal{R}(x, w) = 1$  if and only if:
  1.  $C_i^v = F(\text{PRF.sk}_i, v_i \parallel \mathbf{tag})$
  2.  $C_i^{\text{prf}} = \text{Com}(\text{PRF.sk}_i; s_{\text{prf}})$
  3.  $V_i = f_{\text{TRP.pk}_i}(v_i)$
  4.  $V_i = \vec{V}_{\mathbf{tag}}[i]$
  5.  $\text{Eligible}(v_i, \text{stake}_i, \mathbf{tag}) = 1$
  6.  $\sigma = \text{SIG.Sign}(\text{SIG.sk}_i, \text{msg} \parallel \mathbf{tag})$

7.  $\text{SIG.Ver}(\text{SIG.vk}_i, \sigma, \text{msg} \parallel \text{tag}) = 1$
8.  $\text{validPath}_h(\text{path}_{\text{pk}}, \text{rt}_{\text{pk}}, \text{pk}_i) = 1$
9.  $\text{validPath}_h(\text{path}_{\vec{V}_{\text{tag}}}, \text{rt}_{\vec{V}_{\text{tag}}}, \vec{V}_{\text{tag}}[i]) = 1$

The protocol for creating proof is shown in Figure 8.



$\text{Verify}(\text{tag}, \text{msg}, \pi)$  : Party  $P_i$  on receiving a message from another party first runs  $\text{ProcessRO}$  algorithm to compute  $\vec{V}_{\text{tag}}$ . The zero knowledge proof  $\pi$  is parsed as  $(\text{rt}_{\vec{V}}, \text{rt}_{\text{pk}}, C, \pi_{\text{NIZK}})$ .  $P_i$  then sets the statement  $x$  to be  $(\text{rt}_{\vec{V}_{\text{tag}}}, \text{rt}_{\text{pk}}, \text{tag}, \text{msg}, C)$  and checks if  $\text{NIZK.Verify}(\text{crs}, x, \pi_{\text{NIZK}}) = 1$ . If it checks out then  $P_i$  accepts the message, else it rejects the message. The protocol for verification of a message is shown in Figure 9.



The overall protocol is described below in Figure 10.

**Protocol  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}(sid)$**

A party  $P_i$  executes the protocol  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$  in the following way:

- 1 : Call `Initialization( $P_i, sid$ )` to get  $(pk_i, sk_i)$
- 2 : To publish a message  $msg_i$  in `tag` :
- 3 : Call `EligibilityCheck( $P_i, sid, tag$ )` to get  $b_{tag}, \vec{V}_{tag}$  and  $v_i$ .
- 4 : **if**  $b_{tag} = 1$  **then**  
     call `CreateProof( $P_i, sid, msg_i, tag, v_i, \vec{V}_{tag}$ )`  
     to get  $\pi_i$
- 5 : Output  $(msg_i, tag, \pi_i)$
- 6 : To verify a message  $(msg, tag, \pi)$  in `tag` :
- 7 : Call `Verify( $sid, tag, msg, \pi$ )`  
     and output the bit it returns.

Figure 10: Anonymous Selection protocol -  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$

## 5 Proof(Sketch)

**Theorem 1.** *The protocol  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$  (Fig. 10) UC-realizes the  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  functionality (Fig. 1) in the  $\mathcal{F}_{\text{RO}}$ -hybrid model, assuming anonymous multicast communications, secure pseudorandom functions, secure simulation-sound extractable NIZKs, trapdoor permutations and unforgeable signatures, in the presence of a PPT adversary.*

*Overview of the Simulator.* In order to prove UC-security we need to show that there exists a PPT simulator interacting with  $\mathcal{F}_{\text{Anon-Selection}}$  that generates a transcript that is indistinguishable from the transcript generated by the real world adversary running the protocol  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$ .

We first give a high-level description of the simulator (described in Figure 12 and Figure 13) -  $\mathcal{S}_{\text{Anon-Selection}}$ . Our simulator leverages the programmability of the random oracle  $\mathcal{F}_{\text{RO}}$  and the extractability and simulatability of the underlying NIZK. Hence, the simulator  $\mathcal{S}_{\text{Anon-Selection}}$  will make use of the NIZK simulators  $(\mathcal{S}_1, \mathcal{S}_2)$  to correctly setup the CRS in simulation mode and to simulate NIZK proofs and the algorithm `Extract` to extract the witness from proofs received from the adversary.

$\mathcal{S}_{\text{Anon-Selection}}$  first sets up a crs using  $\mathcal{S}_1$ . Then, for each honest party  $P_i$  present in the system (recall that we are in the static setting, so on the onset the simulator knows the set of honest parties), the simulator generates their public key:  $(\text{TRP.pk}, \text{SIG.vk}, C^{\text{prf}})$ . Differently from a honest key,  $C^{\text{prf}}$  is a commitment to 0 instead of the PRF secret key.

When the simulator receives  $(\text{Prove}, msg, tag)$  from the ideal functionality  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$ , it must provide a proof for the pair  $(msg, tag)$ , even without knowing the identity of the party requiring this proof. The simulator will use the underlying zero-knowledge simulator  $\mathcal{S}_2$  to compute the proof  $\pi$  and return it to the ideal functionality, as well as storing  $\pi$  in a list  $\mathcal{L}$  of proofs computed so far.

The simulator detects whether a malicious party is attempting to learn if she is eligible to speak, by monitoring the queries to the random oracle  $\mathcal{F}_{\text{RO}}$ . When the query has the form  $(tag, i)$  for a index  $i$  such that  $P_i$  is corrupted, the simulator will first query  $\mathcal{F}_{\text{Anon-Selection}}$  with command `EligibilityCheck` to check if  $P_i$  is eligible to speak for `tag`. If so, the simulator will program the random oracle with a value that makes  $P_i$  pass the selection function.

Finally, when the adversary sends `Verify` for a pair  $(msg, \pi)$ , the simulator  $\mathcal{S}_{\text{Anon-Selection}}$  first checks if this proof is in the list  $\mathcal{L}$ . If so, answers `Verified` to the party. Otherwise, the simulator checks if  $\pi$

Statement	Primitive used	No. of constraints
Check PRF	SHA256Compress	27536
Check Commitment	Pedersen (Sapling)	2542
Check trapdoor perm	RSA exponentiation	3252
Check eligibility	Range Proof	256
Check sign	EDDSA	7000
Check path ( $\times 2$ )	Merkle tree path	44160
Check index	Equality Proof	32

Table 1: Number of constraints per statement

is valid, by running `NIZK.Verify`. If the proof is valid, the simulator attempts to extract the witness using `Extract`. If the extraction fails, the simulator will abort with a message `ExtractionFailure`. Else, if the extracted witness contains key material from an honest party, then the simulator abort with a message `SoundnessFailure`. Else, the simulator sends `CreateProof` to  $\mathcal{F}_{\text{Anon-Selection}}$  on input `msg`. If  $\mathcal{F}_{\text{Anon-Selection}}$  replies a message `Declined`, then abort the protocol.

$\mathcal{S}_{\text{Anon-Selection}}$  also simulates the random oracle, where for any query  $(i, \text{tag})$  where  $P_i$  belongs to the set of honest party, the simulator replies with a uniformly sampled random value.

We prove indistinguishability of the simulation through a series of hybrids. The crux of the proof is to show that the probability of the simulator aborting is negligible. In the following we summarize the failure events and give an intuition on why they happen with negligible probability.

- **ROFailure** - The simulator aborts with this message, if the output of a  $\mathcal{F}_{RO}$  query from a malicious party is already stored in the table for some other previously queried value. We show that this happens with negligible probability in Lemma 1.
- **ExtractionFailure** - The simulator aborts with this message if it is unable to extract a witness from zero knowledge proof, using its simulated `crs`. This occurs with negligible probability since we assume simulation-extractable zero knowledge proofs.
- **SoundnessFailure** - The simulator aborts with this message if the extracted witness corresponds to that of an honest party, and the NIZK proof was not in the list of proofs that is maintained by the simulator. This would imply that the real-world adversary spoofed a valid witness for an honest party, which implies that the real-world adversary has either broken the one-wayness of the trapdoor permutation, unforgeability of the signature scheme, or the collision resistance of the hash function used in the Merkle tree.
- **GetProofFailure** - The simulator aborts with this message if the ideal functionality  $\mathcal{F}_{\text{Anon-Selection}}$  replies with message `Declined` for a query that corresponds to a party that is eligible. This occurs with negligible probability if the  $\mathcal{F}_{RO}$  was programmed correctly and is shown in Lemma 5

Finally, we stress that in our proof we will assume that all messages are exchanged via a secure anonymous multicast channel. For the full proof please refer to Appendix ??.

## 6 Performance Estimates

In this section we give estimates for the number of R1CS constraints to prove each of the statements in our zero knowledge proofs of Equation 2 in section 4.2. Assuming that we implement our NIZK statements with SNARKs [12, 13] we give an overview of the primitives we use and the number of constraints to prove correct evaluation of each of them. We assume a SHA256 compression function for the PRF construction. To check that this is evaluated correctly, one can create a SNARK with 27,904 constraint. We use the windowed Pedersen commitment of Sapling [20] for our commitment



scheme which uses a Pedersen hash function. The number of constraints for the Pedersen hash function is 984 constraints making the Pedersen commitment scheme to be 1740 constraints. The trapdoor permutation check is done by evaluating a simple RSA function, which can be implemented using a variable base affine-ctEdwards scalar multiplication [20] and this takes a total of 3252 constraints. To verify signatures we use EdDSA signature scheme that can be implemented using approx 7000 constraints. To check the path of the Merkle tree each layer requires 1380 constraints and assuming a total of 32 layers- we have 44,160 constraints for each tree. Finally to check that the same  $i$  is used for  $\text{pk}_i$  and  $\vec{V}[i]$ , one would have to check that the paths on both merkle trees are the same. Assuming we have 32 layers, we would require 32 constraints to check that each index is the same. The ZK-SNARKs used in our implementations will require approximately 129K R1CS constraints.

## 7 Extensions for adaptivity and the multi-stake setting

### 7.1 Extending to correctness in Presence of Adaptive Adversaries

Our protocol in section 4.2 assumes static corruption of parties. In the following we give an intuition as to how we can achieve adaptive security for the correctness of the protocol, though not for anonymity (since we do not use adaptive secure NIZKs).

*Ephemeral Keys of Algorand [7]* - Algorand uses ephemeral keys and secure erasures to achieve adaptive security for the safety property. Parties sign a message in a step of a round with an ephemeral key and then erase this key as soon as they send their message.

A party  $P_i$  generates a master public key and master secret key ( $MPK_i, MSK_i$ ) at initialization. Using the  $MSK$ ,  $P_i$  generates ephemeral keys of the form  $\text{sk}_i^{r,s}$ . Here  $r \in [r' + 1, r' + 10^6]$  for some  $r'$  and  $s \in [1, m]$  where  $m$  is the upper bound in number of steps in a round. Once the keys are generated,  $P_i$  erases  $MSK$ .  $P_i$  also erases  $\text{sk}_i^{r,s}$  at the end of the step. To verify a message signed using  $\text{sk}_i^{r,s}$  a party needs to know the  $MPK$  and  $r, s$ .

**Adaptive secure protocol idea :** To achieve adaptive security in our protocol we assume erasures and ephemeral signatures as in Algorand. We describe the modifications to the protocol below:

*Initialization :* A party  $P_i$  generates a signature key pair ( $\text{SIG.msk}_i, \text{SIG.mvk}_i$ )  $\leftarrow$   $\text{SIG.KeyGen}$ . Generate a fixed number (say  $t$ ) of ephemeral secret keys  $\{\text{esk}_i^j\}_{j=1}^t$  such that for any  $j$ ,  $\text{Verify}(\text{SIG.mvk}_i, \text{Sig}(\text{esk}_i^j, m)) = 1$ .  $P_i$  erases  $\text{SIG.msk}_i$  after computing these ephemeral keys. After  $t$  number of  $\text{tag}$  has elapsed, the party generates new signature keys. We assume each key  $\text{esk}_i^{\text{tag}}$  is linked to an  $\text{tag}$  as in Algorand where - ( $\text{mvk}, \text{tag}$ ) is used to verify a signature signed using  $\text{esk}_i^{\text{tag}}$ .

*Create Proof :* The party  $P_i$  now has to prove an additional statement which says - ‘‘I know a master public key that can verify a signature signed by an ephemeral key for a particular tag’’ More formally

Statement :  $x = (\text{rt}_{\text{pk}}, \text{tag})$

Witness :  $w = (\text{esk}_i^{\text{tag}}, \text{pk}_i = (\cdot, \text{SIG.mvk}_i, \cdot), \text{path}_{\text{pk}})$

Proof :  $\text{Verify}(\text{SIG.mvk}_i, \text{Sig}(\text{esk}_i^{\text{tag}}, m || \text{tag})) = 1$  and  $\text{validPath}_h(\text{path}_{\text{pk}}, \text{rt}_{\text{pk}}, \text{pk}_i) = 1$

*Remark.* We note that in order to achieve adaptive security, we need to make new assumptions and additionally pay higher computational costs. In terms of efficiency, each party now has to maintain a large number of ephemeral keys. They need to update these keys after a certain number of  $\text{tag}$ . In terms of assumptions we need to assume secure erasures and that all parties erase their keys after they use them in a specific  $\text{tag}$ . We do not have these issues if we assumed a weaker static adversary, but are necessary for an adaptive adversary.

Since we only claim adaptive security for the correctness of the protocol, the simulator  $\mathcal{S}_{\text{Non-Selection}}$  can simulate the protocol. The only change would be that the simulator now sets up a master verification key in the  $\text{pk}$  for all parties.

## 7.2 Extending to multi-stake setting

Our protocol in section 4.2 assumes that each  $\text{pk}_i$  is associated with exactly one unit of stake. In the following we give an intuition as to how we can associate multiple units of stake to each public key. The key idea is that if a party has multiple stake then the party is selected with a weight denoted  $\text{wt}_i$ , similar to the sortition algorithm shown in [19] (See Fig 11). The challenge we observe here is that we cannot reveal  $\text{wt}_i$ , since  $\text{wt}_i$  is proportional to the stake of the party. Therefore for a party  $P_i$  to publish a message it sends  $\text{wt}_i$  *unlinkable* proofs for the same message  $\text{msg}_i$ . We refer to each unit of  $\text{wt}$  as an *index*. We must ensure that the party  $P_i$  does not send more than  $\text{wt}_i$  messages nor does it send different messages with different proofs for the same index, else a malicious party could send more messages than  $\text{wt}_i$ .

**Multi-stake protocol idea :** We describe the modifications required of the protocol  $\Pi_{\text{Anon-Selection}}^{\text{Eligible}}$  described above :

*Initialization* : We assume that parties create commitments to their stake,  $\text{cm}_i = \text{Com}(v_i)$  and publish this commitment to create a merkle tree of coin commitments ( $\text{MTree}(\text{cm})$  with root  $\text{rt}_{\text{cm}}$ ).

*Eligibility Check* : The function *Eligible* now returns  $\text{wt}_i^{\text{tag}}$  instead of  $b_{\text{tag}}$

*Create Proof*: We first modify the “deterministic commitment” -  $C_i^v$  as  $C_{i,\text{index}}^v = F(\text{PRF.sk}_i, \|v_i\|\text{tag}\|\text{index})$ . The party evaluates  $\text{wt}_i$  number of  $C_{i,\text{index}}^v$  (basically for each  $\text{index} \in [1, \text{wt}_i]$ ). This ensures that a party can create exactly one proof for one index.

$P_i$  now proves the following statements :

- “I know  $v_i$ , such that  $\vec{V}_{\text{tag}}[i] = f_{\text{TRP.pk}_i}(v_i)$ ”
- “I know the path from  $\text{cm}_i$  which is the leaf of a Merkle tree  $\text{MTree}(\text{cm})$ , that contains commitment of my  $\text{stake}_i$  to the root of the Merkle tree.”
- “I am eligible to speak for  $\text{tag}$  according to randomness  $v_i$  and stake  $\text{stake}_i$  with weight  $\text{wt}_i$ .”
- “ $C_{i,\text{index}}^v$  is correctly computed as  $F(\text{PRF.sk}_i, v_i\|\text{tag}\|\text{index})$  and  $\text{index} \in [1, \text{wt}_i]$ ”
- “I know the path from  $\text{pk}_i$  which is the leaf of a Merkle tree  $\text{MTree}(\text{pk})$ , that contains commitment of my PRF secret key, trapdoor public key and signature verification key, to the root of the Merkle tree.”
- “I know the path from  $\vec{V}_{\text{tag}}[i]$ , which is the leaf of a Merkle tree  $\text{MTree}(\vec{V}_{\text{tag}})$  that contains all the elements in vector  $\vec{V}_{\text{tag}}$ , to the root of the Merkle tree. ”

More formally, the NIZK statement and proof for the language  $\mathcal{L}$  characterized by the relation  $\mathcal{R}$  is computed as follows (we denote in **red** the differences in the statements we prove for the single stake setting):

$$\pi \leftarrow \text{NIZK.Prove}(\text{crs}, x, w) \tag{3}$$

- statement  $x = (\text{rt}_{\vec{V}_{\text{tag}}}, \text{rt}_{\text{pk}}, \text{rt}_{\text{cm}}, \text{tag}, \text{msg}, C_{i,\text{index}}^v, \vec{V}_{\text{tag}})$
- witness  $w = (i, \text{wt}_i, \text{stake}_i, \text{index}, \text{PRF.sk}_i, v_i, \sigma, s_{\text{prf}}, \text{pk}_i, \text{path}_{\text{pk}}, \text{path}_{\vec{V}_{\text{tag}}}, \text{path}_{\text{cm}}, \text{cm}_i)$ , where  $\text{pk}_i = (\text{TRP.pk}_i, \text{Sig.vk}_i, C_{\text{prf}})$ .
- $\mathcal{R}(x, w) = 1$  if and only if:
  1.  $C_{i,\text{index}}^v = F(\text{PRF.sk}_i, v_i\|\text{tag}\|\text{index})$
  2.  $\text{index} \in [1, \text{wt}_i]$
  3.  $C_i^{\text{prf}} = \text{Com}(\text{PRF.sk}_i; s_{\text{prf}})$
  4.  $\text{cm}_i = \text{Com}(\text{stake}_i)$
  5.  $V_i = f_{\text{TRP.pk}_i}(v_i)$

6.  $V_i = \vec{V}_{\text{tag}}[i]$
7.  $\text{Eligible}(v_i, \text{stake}_i, \text{tag}) = \text{wt}_i$
8.  $\sigma = \text{SIG.Sign}(\text{SIG.sk}_i, \text{msg} \parallel \text{tag})$
9.  $\text{SIG.Ver}(\text{SIG.vk}_i, \sigma, \text{msg} \parallel \text{tag}) = 1$
10.  $\text{validPath}_h(\text{path}_{\text{pk}}, \text{rt}_{\text{pk}}, \text{pk}_i) = 1$
11.  $\text{validPath}_h(\text{path}_{\vec{V}_{\text{tag}}}, \text{rt}_{\vec{V}_{\text{tag}}}, \vec{V}_{\text{tag}}[i]) = 1$
12.  $\text{validPath}_h(\text{path}_{\text{cm}}, \text{rt}_{\text{cm}}, \text{cm}_i) = 1$

### Function Eligible( $v_i, \text{stake}_i, \text{tag}$ )

Global variables for the protocol are `totalStake` and  $\tau$ . `totalStake` defines the total stake of the parties in the network and  $\tau$  is the expected number of parties to be selected (this depends on the `tag`). Here  $B(k; \text{stake}, p) = \binom{\text{stake}}{k} p^k (1-p)^{\text{stake}-k}$  and  $\sum_{k=0}^{\text{stake}} B(k; \text{stake}, p) = 1$  as in [19]

$$p \leftarrow \frac{\tau}{\text{totalStake}}$$

$$\text{wt}_i \leftarrow 0$$

$$\text{while } \frac{v_i}{2^{\text{len}(v_i)}} \notin \left[ \sum_{k=0}^{\text{wt}_i} B(k; \text{stake}_i, p), \sum_{k=0}^{\text{wt}_i+1} B(k; \text{stake}_i, p) \right)$$

$$\text{wt}_i = \text{wt}_i + 1$$

return  $\text{wt}_i$

Figure 11: The eligibility function for multi stake

*Remarks.* Note that this protocol does not realize the ideal functionality defined in Figure 1, instead it realizes a modified functionality for multi-stake presented in Appendix C. Note that for multiple stake we assume that we have commitments to stake as in Zerocash [9]. For this work we do not consider updates to stake. We also note that we will need an additional range proof for proving index is in the correct range (256 constraints) and that there is a valid path to the commitment to stake (22080 constraints).

The simulator  $\mathcal{S}_{\text{Anon-Selection}}$  will be modified in the following way to simulate the multi-stake protocol. In initialization create a  $\text{cm}_i = \text{Com}(0^\lambda; r)$  for each honest party  $P_i$  and publish it. Create a merkle tree  $\text{MTree}(\text{cm})$  with root  $\text{rt}_{\text{cm}}$ . The statement of the proofs created in response to `Prove` will now include  $\text{rt}_{\text{cm}}$ . For `Verify`, when the simulator extracts the witness it now includes  $\text{stake}_i, \text{wt}_i, \text{path}_{\text{cm}}$  and  $\text{cm}_i$ .  $\mathcal{S}_{\text{Anon-Selection}}$  now sends to  $\mathcal{F}_{\text{Anon-Selection}}$  a message  $(\text{CreateProof}, \text{sid}, \text{tag}, \text{msg})$  at most  $\text{wt}_i$  times. If it receives  $(\text{Declined}, \text{sid}, \text{tag}, \text{msg})$  for any of these queries, output “GetProofFailure”. In the simulation of  $\mathcal{F}_{\text{RO}}$  the simulator now receives  $\text{wt}_i$  when it sends  $(\text{EligibilityCheck}, \text{sid}, \text{tag})$  to the  $\mathcal{F}_{\text{Anon-Selection}}$ . The simulator then finds an  $r$  such that  $\text{Eligible}(r, \text{stake}_i, \text{tag}) = \text{wt}_i$  (pick an  $r$  in the interval  $[\sum_{k=0}^{\text{wt}_i} B(k; \text{stake}_i, p), \sum_{k=0}^{\text{wt}_i+1} B(k; \text{stake}_i, p))$  )

## References

- [1] S. Nakamoto, “Bitcoin: A peer-to-peer electronic cash system,” no. 2012, p. 28, 2008.
- [2] S. Dziembowski, S. Faust, V. Kolmogorov, and K. Pietrzak, “Proofs of space,” in *Annual Cryptology Conference*, pp. 585–605, Springer, 2015.

- [3] A. Kiayias, A. Russell, B. David, and R. Oliynykov, “Ouroboros: A provably secure proof-of-stake blockchain protocol,” in *CRYPTO*, pp. 357–388, 2017.
- [4] “Algorand blockchain.” <https://www.algorand.com>.
- [5] T. Kerber, A. Kiayias, M. Kohlweiss, and V. Zikas, “Ouroboros cryptsinous: Privacy-preserving proof-of-stake,” in *2019 IEEE Symposium on Security and Privacy (SP)*, (Los Alamitos, CA, USA), pp. 984–1001, IEEE Computer Society, may 2019.
- [6] D. Boneh, J. Bonneau, B. Bünz, and B. Fisch, “Verifiable delay functions,” in *Annual International Cryptology Conference*, pp. 757–788, Springer, 2018.
- [7] J. Chen and S. Micali, “Algorand: A secure and efficient distributed ledger,” *Theoretical Computer Science*, vol. 777, pp. 155–183, 2019.
- [8] C. Ganesh, C. Orlandi, and D. Tschudi, “Proof-of-stake protocols for privacy-aware blockchains,” in *Advances in Cryptology – EUROCRYPT 2019*, vol. 11476 of *Advances in Cryptology – EUROCRYPT 2019*, pp. 690–719, Springer, 2019.
- [9] E. Ben Sasson, A. Chiesa, C. Garman, M. Green, I. Miers, E. Tromer, and M. Virza, “Zerocash: Decentralized anonymous payments from Bitcoin,” in *IEEE S&P*, 2014.
- [10] P. Fauzi, S. Meiklejohn, R. Mercer, and C. Orlandi, “Quisquis: A new design for anonymous cryptocurrencies.” Cryptology ePrint Archive, Report 2018/990, 2018. <https://eprint.iacr.org/2018/990>.
- [11] B. David, P. Gaži, A. Kiayias, and A. Russell, “Ouroboros praos: An adaptively-secure, semi-synchronous proof-of-stake blockchain,” in *Annual International Conference on the Theory and Applications of Cryptographic Techniques*, Springer, 2018.
- [12] E. Ben-Sasson, A. Chiesa, E. Tromer, and M. Virza, “Succinct non-interactive zero knowledge for a von neumann architecture,” in *23rd {USENIX} Security Symposium ({USENIX} Security 14)*, pp. 781–796, 2014.
- [13] J. Groth, “On the size of pairing-based non-interactive arguments,” in *Annual International Conference on the Theory and Applications of Cryptographic Techniques*, pp. 305–326, Springer, 2016.
- [14] C. Ganesh, C. Orlandi, and D. Tschudi, “Proof-of-stake protocols for privacy-aware blockchains.” Cryptology ePrint Archive, Report 2018/1105, 2018. <https://eprint.iacr.org/2018/1105>.
- [15] J. Groth, R. Ostrovsky, and A. Sahai, “New techniques for noninteractive zero-knowledge,” *Journal of the ACM (JACM)*, vol. 59, no. 3, p. 11, 2012.
- [16] A. Kosba, Z. Zhao, A. Miller, Y. Qian, H. Chan, C. Papamanthou, R. Pass, s. abhi, and E. Shi, “Coco: A framework for building composable zero-knowledge proofs.” Cryptology ePrint Archive, 2015.
- [17] M. Bellare and M. Yung, “Certifying permutations: Noninteractive zero-knowledge based on any trapdoor permutation,” *Journal of Cryptology*, vol. 9, no. 3, pp. 149–166, 1996.
- [18] R. Canetti, “Universally composable security: A new paradigm for cryptographic protocols,” in *Proceedings 2001 IEEE International Conference on Cluster Computing*, pp. 136–145, IEEE, 2001.
- [19] Y. Gilad, R. Hemo, S. Micali, G. Vlachos, and N. Zeldovich, “Algorand: Scaling byzantine agreements for cryptocurrencies,” in *ACM-OSP*, 2017.

- [20] D. Hopwood, S. Bowe, T. Hornby, and N. Wilcox, “Zcash protocol specification: Version 2019.0.9 [overwinter+ sapling],” tech. rep., Tech. rep. available at <https://github.com/zcash/zips/blob/master/protocol/protocol.pdf>, 2019.
- [21] P. MacKenzie and K. Yang, “On simulation-sound trapdoor commitments,” in *TCC*, Springer, 2004.
- [22] O. Goldreich, S. Goldwasser, and S. Micali, “How to construct random functions,” in *SFCS*, pp. 464–479, IEEE, 1984.

## A Preliminaries (Continued)

Here we provide some standard definitions of cryptographic primitives.

**Commitment Schemes.** A commitment scheme allows a party to commit to a chosen value while keeping it hidden to others and the party cannot change his mind to reveal another value after he has committed to it. We provide a formal definition of commitments below (borrowing some notation from [21]).

**Definition 2** (Commitment Scheme).  $\text{CS} = (\text{Com}, \text{Ver})$  is a commitment scheme if  $\text{Com}$  and  $\text{Ver}$  are probabilistic polynomial-time algorithms such that the following properties are satisfied:

- *Completeness:* For all messages  $m \in \{0, 1\}^{\ell(\lambda)}$  and randomness  $r \leftarrow \{0, 1\}^\lambda$ ,

$$\Pr[c \leftarrow \text{Com}(m; r) : \text{Ver}(c, m, r) = 1] = 1$$

- *Perfect Binding:* For all malicious senders  $\mathcal{A}$ , and all  $m_0, m_1 \in \{0, 1\}^{\ell(\lambda)}$ :

$$\begin{aligned} \Pr[(c, m_0, m_1, r_0, r_1) \leftarrow \mathcal{A}(1^\lambda) : \\ \text{Ver}(m_0, c, r_0) = \text{Ver}(m_1, c, r_1)] = 0 \end{aligned}$$

- *Computational Hiding:* For all PPT malicious receivers  $\mathcal{A}$ , a pair of equal-length messages  $m_0, m_1 \in \{0, 1\}^\ell$  and randomness  $r \leftarrow \{0, 1\}^\lambda$ , there exists a negligible function  $\text{negl}(\cdot)$  such that

$$\begin{aligned} & |\Pr[c \leftarrow \text{Com}(m_0; r) : \mathcal{A}(c, m_0, r) = 1] \\ & - \Pr[c \leftarrow \text{Com}(m_1; r) : \mathcal{A}(c, m_1, r) = 1]| \\ & \leq \text{negl}(\lambda) \end{aligned}$$

### Pseudorandom Functions.

**Definition 3** (Pseudorandom Functions [22]). A family  $\mathcal{F} = \{\text{PRF}_K : \{0, 1\}^{n(\lambda)} \rightarrow \{0, 1\}^{m(\lambda)}, K \in \mathcal{K}\}$  of efficiently-computable functions is pseudorandom if for every PPT adversary  $\mathcal{A}$  there exists a negligible function  $\text{negl}(\cdot)$  such that

$$\left| \Pr_{K \leftarrow \mathcal{K}}[\mathcal{A}^{\text{PRF}_K(\cdot)}(1^\lambda) = 1] - \Pr_{R \leftarrow U}[\mathcal{A}^{R(\cdot)}(1^\lambda) = 1] \right| \leq \text{negl}(\lambda)$$

for all sufficiently large  $\lambda \in \mathbb{N}$ , where  $U$  is the set of all functions from  $\{0, 1\}^{n(\lambda)} \rightarrow \{0, 1\}^{m(\lambda)}$ .

**Digital Signatures.** A digital signature scheme  $\text{Sig}$  consists of three PPT algorithms ( $\text{Sig.KeyGen}$ ,  $\text{Sig.Sign}$ ,  $\text{Sig.Ver}$ ) such that:

- *Key Generation Algorithm*  $\text{Sig.KeyGen}$  takes as input a security parameter  $\lambda$  in unary and outputs a key pair  $(\text{Sig.vk}, \text{Sig.sk})$  (called verification key and secret key respectively).
- *Signing Algorithm*  $\text{Sig.Sign}$  takes as input a secret key  $\text{Sig.sk}$  and a message  $m$ . It outputs a signature  $\sigma$ . We write this as  $\sigma \leftarrow \text{Sig.Sign}(\text{Sig.sk}, m)$ .
- *Verification Algorithm*  $\text{Sig.Ver}$  takes as input a verification key  $\text{Sig.vk}$ , a message  $m$ , and a signature  $\sigma$ . It outputs a bit  $b$  with  $b = 1$  indicating valid and  $b = 0$  meaning invalid. We write this as  $b = \text{Sig.Ver}(\text{Sig.vk}, m, \sigma)$ .

We require the digital signature scheme  $\text{Sig}$  satisfying the following properties:

- *Correctness*: Except with negligible probability over the key pair  $(\text{Sig.vk}, \text{Sig.sk})$  generated by  $\text{Sig.KeyGen}(1^\lambda)$ , it holds that  $\text{Sig.Ver}(\text{Sig.vk}, \text{Sig.Sign}(\text{Sig.sk}, m)) = 1$  for every valid message  $m$ .
- *Existential Unforgeability under Chosen Message Attack*: A digital signature scheme is existentially unforgeable under chosen message attack if an adversary should not be able to output a forgery (i.e., a message  $m$  along with a valid signature  $\sigma$ ) even if it obtains signatures on many other messages of its choice. More formally, for all probabilistic polynomial-time adversaries  $\mathcal{A}$ , there is a negligible function  $\text{negl}(\cdot)$  such that

$$\begin{aligned} & \Pr[(\text{Sig.vk}, \text{Sig.sk}) \\ & \leftarrow \text{Sig.KeyGen}(1^\lambda), \\ & (m, \sigma) \leftarrow \mathcal{A}^{\text{Sig.Sign}(\text{Sig.sk}, \cdot)}(1^\lambda, \text{Sig.vk}) : \\ & \text{Sig.Ver}(\text{Sig.vk}, m, \sigma) = 1 \wedge m \notin \mathcal{Q}] \leq \text{negl}(\lambda) \end{aligned}$$

where  $\mathcal{Q}$  denotes the set of all queries that  $\mathcal{A}$  asked to oracle  $\text{Sig.Sign}(\text{Sig.sk}, \cdot)$ .

## B Proof(Continued)

*Proof. Indistinguishability Proof.* We prove that the real execution of the protocol in the  $\mathcal{F}_{\text{RO}}$ -hybrid world is indistinguishable from the execution in the simulated world through a series of hybrids.

- Let the hybrid  $\mathbf{H}_0$  denote the real world execution.
- Hybrid  $\mathbf{H}_1$  is the same as  $\mathbf{H}_0$  except that any calls to random oracle  $\mathcal{F}_{\text{RO}}$  is replaced with simulated responses as shown in Figure 13. When the simulation aborts, it outputs “ROFailure”. Note that  $\mathbf{H}_0$  and  $\mathbf{H}_1$  can be distinguished in the event of “ROFailure”. We prove in Lemma 1 that  $\mathbf{H}_0$  and  $\mathbf{H}_1$  are indistinguishable, since the event “ROFailure” occurs with negligible probability.
- Hybrid  $\mathbf{H}_2$  executes in the same way as  $\mathbf{H}_1$ , except that the  $\text{crs}$  is now replaced by a simulated  $\text{crs}$  and all honest proofs are now simulated.

$\mathbf{H}_1$ :

$$\begin{aligned} \text{crs} & \leftarrow \text{NIZK.Setup}(1^\lambda) \\ \pi & \leftarrow \text{NIZK.Prove}(\text{crs}, \text{stmt}, w) \end{aligned}$$

$\mathbf{H}_2$ :

$$\begin{aligned} (\text{crs}, \text{ek}, \tau) & \leftarrow \mathcal{S}_1(1^\lambda) \\ \pi & \leftarrow \mathcal{S}_2(\text{crs}, \tau, \text{stmt}) \end{aligned}$$

$\mathbf{H}_2$  and  $\mathbf{H}_1$  are computationally indistinguishable due to the computational zero-knowledge property of NIZK as proved in Lemma 2.

- Hybrid  $\mathbf{H}_3$  executes in the same way as  $\mathbf{H}_2$ , except that when a party (the adversary) sends a pair  $(\text{msg}, \pi)$  for a  $\text{tag}$ , and the NIZK  $\pi$  was not generated by the simulator, the latter attempts to extract a witness from  $\pi$ . That is, it runs  $\text{Extract}(\text{crs}, \text{ek}, \text{stmt}, \pi_{\text{NIZK}})$ . If the output is  $\perp$ , then the experiment terminates with output “ExtractionFailure”. We prove in Lemma 3 that this occurs with negligible probability, and hence  $\mathbf{H}_3$  and  $\mathbf{H}_2$  are computationally indistinguishable.

- Hybrid  $\mathbf{H}_4$  works in the same way as  $\mathbf{H}_3$ , except that if  $\text{Extract}(\text{crs}, \text{ek}, \text{stmt}, \pi) = w$ , and the witness corresponds to an honest party whose  $\pi$  is not in  $\mathcal{L}$ , then the experiment terminates with output “SoundnessFailure”. We prove by Lemma 4 that this happens with negligible probability, and hence  $\mathbf{H}_4$  and  $\mathbf{H}_3$  are computationally indistinguishable.
- Hybrid  $\mathbf{H}_5$  works the same way as  $\mathbf{H}_4$ , except that the simulator sends  $(\text{CreateProof}, \text{tag}, \text{msg})$  to the ideal functionality (and when asked will later provide  $\pi$ ). If the functionality replies with  $(\text{Declined})$ , output “GetProofFailure”. We prove by Lemma 5 that this happens with negligible probability, which therefore implies that  $\mathbf{H}_5$  and  $\mathbf{H}_4$  are computationally indistinguishable.
- Hybrid  $\mathbf{H}_6$  works the same way as  $\mathbf{H}_5$ , except that the outputs of the pseudorandom functions are replaced by totally random strings.

$\mathbf{H}_5$ :

$$C_i^v = F(\text{PRF.sk}_i, v_i \parallel \text{tag})$$

$\mathbf{H}_6$ :

$$C_i^v \leftarrow \{0, 1\}^\lambda$$

By the pseudorandomness property of pseudorandom functions as shown in Lemma 6,  $\mathbf{H}_6$  and  $\mathbf{H}_5$  are computationally indistinguishable.

- Hybrid  $\mathbf{H}_7$  works the same way as  $\mathbf{H}_6$ , except that the commitments to PRF secret keys are replaced by commitments to the zero string.

$\mathbf{H}_6$ :

$$C_i^{\text{prf}} \leftarrow \text{Com}(\text{PRF.sk}_i; s_{\text{prf}})$$

$\mathbf{H}_7$ :

$$r \leftarrow \{0, 1\}^\lambda$$

$$C_i^{\text{prf}} \leftarrow \text{Com}(0^\lambda; r)$$

By the hiding property of the commitment scheme, as shown in Lemma 7,  $\mathbf{H}_7$  and  $\mathbf{H}_6$  are computationally indistinguishable.

Note that  $\mathbf{H}_7$  is identical to the simulated world as described in Figure 12. By a summation over the previous hybrids we show that  $\mathbf{H}_0 \approx \mathbf{H}_7$  by presenting the following supporting lemmas.



**Simulator**  $\mathcal{S}_{\text{Anon-Selection}}$

Setup : Run  $\mathcal{S}_1$  to generate a simulated crs, trapdoor  $\tau$  and extraction key  $ek$ .

Initialization : For each honest party  $P_i$  :

- Generate a valid TRP. $pk_i$  by running TRP.KeyGen( $1^\lambda$ ).
- Generate a valid SIG. $vk_i$  by running SIG.KeyGen( $1^\lambda$ )
- Sample a randomness  $r$  and commit to zero -  $C^{prf} = \text{Com}(0^\lambda; r)$ .
- Publish  $pk_i = (\text{TRP}.pk_i, \text{SIG}.vk_i, C^{prf})$ .

Generate a Merkle tree, MTree( $pk$ ) with all  $pk_i$  as leaves and obtain the root  $rt_{pk}$ .

CreateProof: Upon receiving (Prove,  $sid, msg, tag$ ) from ideal functionality  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$ .

- Compute a zero knowledge proof  $\pi_{ZK}$  for the message ( $msg, tag$ ), by calling the simulator  $\mathcal{S}_2$  on ( $crs, \tau, stmt$ ), where  $stmt = (rt_{\vec{v}_{tag}}, rt_{pk}, tag, msg, C)$ , where  $C$  is sampled uniformly at random.
- Set  $\pi = (rt_{\vec{v}_{tag}}, rt_{pk}, C, \pi_{ZK})$  and store  $(\pi, msg, tag)$  in a list  $\mathcal{L}$ .
- Send (Done,  $\pi, tag, msg$ ) to  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$ .

Verify: Upon receiving (Verify,  $sid, tag, msg, \pi$ ) from a corrupted party.

- If  $(\pi, msg, tag) \in \mathcal{L}$ , then send (Verified,  $sid, \pi, tag, msg, 1$ ).
- Else, compute  $\vec{V}^* = \text{ProcessRO}(tag)$  and create a Merkle tree MTree( $\vec{V}_{tag}^*$ ), with all  $\vec{V}^*[i]$  as leaves and set the root of the Merkle tree as  $rt_{\vec{V}^*}$ .
- Set  $stmt = (tag, msg, C, rt_{\vec{V}^*}, rt_{pk})$
- If NIZK.Verify( $crs, stmt, \pi$ ) = 0, ignore the message.
- Else run Extract( $crs, stmt, \pi, ek$ ) to get  $w$ .
  - If  $w = \perp$ , output “ExtractionFailure”
  - Else let  $w = (i, pk_i, sk_i, v_i, \sigma_i, s_{prf}, C_i^{prf}, path_{pk}, path_{\vec{V}^*})$  be the extracted witness. Obtain identity  $i$ . If  $P_i$  is honest and  $\pi$  was not in  $\mathcal{L}$ , output “SoundnessFailure”.
- Send (CreateProof,  $sid, tag, msg$ ) to  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  on behalf of  $P_i$ .
- If  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  replies with (Prove,  $sid, tag, msg$ ), then send (Done,  $sid, \pi, tag, msg$ )
- Else if  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  replies (Declined,  $sid, tag, msg$ ), output “GetProofFailure”

Figure 12: Simulator for  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$

Simulating  $\mathcal{F}_{\text{RO}}$

- Initialize list  $\mathcal{Q} = \emptyset$
- Upon receiving query  $x$  to  $\mathcal{F}_{\text{RO}}$  from some party  $P$ : if there exists  $(x, y) \in \mathcal{Q}$ , output  $y$ ,  
Else parse  $x = (\text{tag}, i)$  and does the following.
  - if  $i$  such that  $P_i \notin$  set of malicious parties, sample  $y$  randomly and store  $\mathcal{Q} = \mathcal{Q} \cup (x, y)$ .
  - else send  $(\text{EligibilityCheck}, \text{sid}, \text{tag})$  to  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  on behalf  $P_i$  and obtain  $b$ .
    - \* find  $r$  such that  $\text{Eligible}(r, (P_i, \text{stake}_i), \text{tag}) = b$ .
    - \* Compute  $V = f(\text{TRP.pk}_i, r)$ .
    - \* If there exists  $(x, V) \in \mathcal{Q}$ , abort and output “ROFailure”.
    - \* Set  $y = V$ , and store  $(x, y) \in \mathcal{Q}$ .
    - \* Output  $y$ .

Figure 13: Simulating random oracle queries

**Lemma 1.** *If  $\mathcal{F}_{\text{RO}}$  is modeled as random oracle then the event ROFailure happens with negligible probability.*

*Proof.* Recall from Figure 13 that when  $\mathcal{S}_{\text{Anon-Selection}}$  receives a query  $x$  for  $\mathcal{F}_{\text{RO}}$  it parses  $x = (\text{tag}, i)$ . Three cases may arise:

1. **Case 1:  $P_i$  is honest** : In this case,  $\mathcal{S}_{\text{Anon-Selection}}$  simply outputs a random value  $y$ . This output is distributed identically to the output of  $\mathcal{F}_{\text{RO}}$ .
2. **Case 2:  $P_i$  is malicious and eligible** : In this case  $\mathcal{S}_{\text{Anon-Selection}}$  repeatedly samples a random value  $r$  until  $\text{Eligible}(r, \text{stake}, \text{tag}) = 1$ . This is done by picking an  $r$  such that  $r < p \cdot 2^{\text{len}(v)}$  (See Definition of of Eligible in Figure 4).  
Now, note that since  $r = v_i$  is a random value, and since  $f$  is a permutation, it follows that  $V_i$  is also random and thus is distributed identically to the output of  $\mathcal{F}_{\text{RO}}$ .
3. **Case 3:  $P_i$  is malicious and not eligible** : Similar argument as Case 2.

The bad case is when the simulator  $\mathcal{S}_{\text{Anon-Selection}}$  obtains a value  $V = f(\text{TRP.pk}, r)$  that was already provided in output for a previous  $\mathcal{F}_{\text{RO}}$  query (i.e., there exists a pair  $(x', V) \in \mathcal{Q}$ ). In this case the simulator aborts and outputs ROFailure.

The probability of such event is  $\frac{q}{2^\lambda}$ , where  $q$  is the number of queries to the random oracle made by the adversary, which is negligible. □

**Lemma 2.** *Assuming the zero-knowledge property of NIZK proof, hybrid  $\mathbf{H}_1$  and hybrid  $\mathbf{H}_2$  are computationally indistinguishable.*

*Proof.* Assuming that there exists a PPT adversary  $\mathcal{A}_{12}$  such that :

$$Pr[\mathcal{A}(\mathbf{H}_1) = 1] - Pr[\mathcal{A}(\mathbf{H}_2) = 1] > p$$

then we can construct a PPT reduction  $\mathcal{B}_{\text{NIZK}}$  that uses  $\mathcal{A}_{12}$  as a subroutine to break the zero-knowledge property of NIZK. We prove this by showing a challenger that interacts with the  $\mathcal{B}_{\text{NIZK}}$  adversary and outputs fail with negligible probability.

Challenger  $\mathcal{C}_{\text{NIZK}}$

1. Flip a coin  $b \leftarrow \{0, 1\}$ .
2. If  $b = 0$ : crs is generated by  $\text{crs} \leftarrow \text{NIZK.Setup}(1^\lambda)$
3. If  $b = 1$ :  $(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda)$
4. Give crs to  $\mathcal{B}_{\text{NIZK}}$  and get back  $b'$ .
5. If  $b = b'$  output fail

$\mathcal{B}_{\text{NIZK}}(1^\lambda)$

1. Receive a common reference string crs from a NIZK challenger  $\mathcal{C}_{\text{NIZK}}$
2. Forward crs to the adversary  $\mathcal{A}_{12}$  internally.
3. Execute the Initialization phase and ELIGIBLE phase for all honest parties as in  $\mathbf{H}_1$ .
4. In the CreateProof phase:
  - $\text{stmt} = (\text{rt}_{\vec{v}}, \text{rt}_{\text{pk}}, \text{tag}, \text{msg}, C_i^v)$
  - $w = (i, \text{PRF.sk}_i, v_i, \sigma_i, s_{\text{prf}}, \text{pk}_i, \text{path}_{\text{pk}}, \text{path}_{\vec{v}})$
  - Forward  $(\text{stmt}, w)$  to the NIZK challenger  $\mathcal{C}_{\text{NIZK}}$
5. Receive back a NIZK proof  $\pi_{\text{NIZK}}$
6. Send  $(\text{msg}, \text{tag}, \pi = (\text{rt}_{\vec{v}}, \text{rt}_{\text{pk}}, C_i^v, \pi_{\text{NIZK}}))$  to  $\mathcal{A}_{12}$
7. Output the bit  $b'$  received from  $\mathcal{A}_{12}$

Note that when  $b = 0$ , the view of the adversary  $\mathcal{A}_{12}$  is exactly the same as in hybrid  $\mathbf{H}_1$ . When  $b = 1$ , then the view of the adversary  $\mathcal{A}_{12}$  is exactly the same as in hybrid  $\mathbf{H}_2$ .

From our hypothesis,  $\mathcal{A}_{12}$  can distinguish the transcripts with non-negligible probability  $p$ , thus the reduction can use  $\mathcal{A}_{12}$  to break the zero-knowledge property of NIZK with non-negligible probability. We thus we have a contradiction since we assumed a secure NIZK proof system.  $\square$

**Lemma 3.** *If NIZK has simulation sound extractability property, then “ExtractionFailure” happens with negligible probability.*

*Proof.* If  $\text{Extract}(\text{crs}, \text{stmt}, \pi)$  outputs a  $w = \perp$ , this immediately breaks the simulation sound extractability property of NIZK, since :

$$\begin{aligned} & \Pr[(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda); (\text{stmt}, \pi) \leftarrow \mathcal{A}^{\mathcal{S}_2(\text{crs}, \tau, \cdot)}(\text{crs}, \text{ek}); \\ & \quad w \leftarrow \text{Extract}(\text{crs}, \text{ek}, \text{stmt}, \pi) : \\ & \quad \text{stmt} \notin Q \wedge (\text{stmt}, w) \notin \mathcal{L} \wedge \text{NIZK.Verify}(\text{crs}, \text{stmt}, \pi) = 1] \approx 0 \end{aligned}$$

Therefore with only very negligible probability do we get the case “ExtractionFailure”.  $\square$

**Lemma 4.** *Assuming the security of trapdoor permutation TRP, EUF-CMA unforgeability property of signature scheme SIG and collision resistance of hash function H, SoundnessFailure happens with negligible probability.*

*Proof.* Recall that the difference between  $\mathbf{H}_3$  and  $\mathbf{H}_4$  is that in  $\mathbf{H}_4$  when the simulator extracts a witness

$$w = (i, \text{pk}_i, \text{PRF.sk}_i, v_i, \sigma_i, s_{prf}, C_i^{prf}, \text{path}_{\text{pk}}, \text{path}_{\vec{v}})$$

it outputs `SoundnessFailure` in the case of a bad event. The bad event being: the witness belongs to some honest party  $i$  and the proof  $\pi$  is not in the list  $\mathcal{L}$ . For this bad event to occur, there must exist an adversary  $\mathcal{A}_{\text{SoundnessFailure}}$ , that can forge a valid proof for some honest party.

To prove that such a bad event occurs with negligible probability we construct a reduction which executes  $\mathcal{A}_{\text{SoundnessFailure}}$  as a subroutine to break at least one of the following properties.

- *Security of trapdoor permutation.* That is, we construct a reduction  $\mathcal{B}_{\text{trp}}$  that takes as input  $(\text{TRP.pk}, y)$  from the trapdoor permutation challenger  $\mathcal{C}_{\text{trp}}$  and it uses the adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  as a subroutine to find the inversion  $x$  corresponding to  $y$ .
- *EUF-CMA unforgeability property of signature scheme.* That is, we construct a reduction  $\mathcal{B}_{\text{sig}}$  that takes as input a signature verification key  $\text{SIG.vk}$  from the signature challenger  $\mathcal{C}_{\text{sig}}$  and it uses  $\mathcal{A}_{\text{SoundnessFailure}}$  as a subroutine to find a valid forgery  $(m, \sigma)$ , where  $m = \text{msg} \parallel \text{tag}$ .
- *Collision-resistance of hash function.* That is, we construct a reduction  $\mathcal{B}_{\text{hash}}$  that uses  $\mathcal{A}_{\text{SoundnessFailure}}$  as a subroutine to find a collision of collision-resistant hash function and send it to a hash function challenger  $\mathcal{C}_{\text{hash}}$ .

**Claim 1.** *Assuming that there exists an adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  that can forge a valid proof for some honest party with non-negligible probability, then we can build a reduction  $\mathcal{B}_{\text{trp}}$  that uses  $\mathcal{A}_{\text{SoundnessFailure}}$  to break the one-wayness of the trapdoor permutation with non-negligible probability.*

*Proof.* We describe how the reduction  $\mathcal{B}_{\text{trp}}$  works. The reduction  $\mathcal{B}_{\text{trp}}$  takes as input a trapdoor permutation public key  $\text{TRP.pk}$  and a random value  $y$  from the trapdoor permutation challenger  $\mathcal{C}_{\text{trp}}$ . The goal of  $\mathcal{B}_{\text{trp}}$  is to output a preimage of  $y$ .

$\mathcal{B}_{\text{trp}}$

1. It computes the simulated common reference string  $\text{crs}$  by computing  $(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda)$  and forwards  $\text{crs}$  to  $\mathcal{A}_{\text{SoundnessFailure}}$ .
2. Guess at random which index  $i^* \in \mathcal{H}$ ,  $\mathcal{A}_{\text{SoundnessFailure}}$  will try to forge in the `CreateProof` phase, where  $\mathcal{H}$  is the set of honest parties.
  - (a) Set  $\text{TRP.pk}_{i^*} = \text{TRP.pk}$ .
  - (b) Generate each public key  $\text{pk}_i$  for each honest party, except that when it computes public key  $\text{pk}_{i^*}$  for the party  $P_{i^*}$ , it includes the trapdoor public key  $\text{TRP.pk}_{i^*}$ .
  - (c) Execute `EligibilityCheck` phase and simulate  $\mathcal{F}_{RO}$  as in the previous hybrid but respond with the random string  $y_{i^*} = y$  when the honest party  $P_{i^*}$  queries the random oracle.
  - (d) It runs the adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  to obtain  $(\text{msg}, \text{tag}, \pi)$  from the `CreateProof` phase, then it parses  $\pi = (\text{rt}_{\text{pk}}, \text{rt}_{\vec{v}}, C, \pi_{\text{NIZK}})$  and runs the extraction algorithm `Extract` to extract the witness  $w \leftarrow \text{Extract}(\text{crs}, \text{ek}, \text{stmt}, \pi_{\text{NIZK}})$ , where

$$w = (i, \text{pk}_i, v_i, \sigma_i, s_{prf}, \text{PRF.sk}_i, \text{path}_{\text{pk}}, \text{path}_{\vec{v}})$$

and  $i$  is the index of some honest party that the adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  is trying to forge.

3. If the guess  $i^* \neq i$ , the reduction simply aborts and outputs a random string  $x$  to the challenger  $\mathcal{C}_{\text{trp}}$ . Otherwise, the reduction  $\mathcal{B}_{\text{TRP}}$  forwards  $x = v_i$  to the challenger  $\mathcal{C}_{\text{trp}}$  as the preimage of  $y$ .

When  $\mathcal{A}_{\text{SoundnessFailure}}$  can forge a valid proof for some honest party  $P_i$  with some non-negligible probability  $p$ , then the reduction  $\mathcal{B}_{\text{TRP}}$  can break the security of trapdoor permutation with non-negligible probability  $p/|\mathcal{H}|$ , which contradicts our assumption.  $\square$

**Claim 2.** *Assuming that there exists an adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  that can forge a valid proof for some honest party with non-negligible probability, then we can build a reduction  $\mathcal{B}_{\text{sig}}$  that uses  $\mathcal{A}_{\text{SoundnessFailure}}$  to break the EU-CMA unforgeability property of signature scheme with non-negligible probability.*

*Proof.* The reduction  $\mathcal{B}_{\text{sig}}$  proceeds as follows. It takes as input a signature verification key  $\text{SIG.vk}$  from the signature challenger  $\mathcal{C}_{\text{sig}}$  and its goal is to output a valid signature  $\sigma$  corresponding to some message  $m$ . It does the following:

- Compute the simulated common reference string  $\text{crs}$  by computing  $(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda)$  and forwards  $\text{crs}$  to the adversary  $\mathcal{A}_{\text{SoundnessFailure}}$ .
- Randomly guess an index  $i^* \in \mathcal{H}$  of an honest party, where  $\mathcal{H}$  is the set of honest parties.
  1. Set  $\text{SIG.vk}_{i^*} = \text{SIG.vk}$ .
  2. Generate public key  $\text{pk}_i$  for each honest party  $P_i$ ,  $i \in \mathcal{H}$ , except that for party  $P_{i^*}$  it includes  $\text{SIG.vk}_{i^*} = \text{SIG.vk}$  into  $\text{pk}_{i^*}$ .
  3. It executes the EligibilityCheck phase and simulates the random oracle interacting with  $\mathcal{A}_{\text{SoundnessFailure}}$  as we described in the simulation.
  4. It runs  $\mathcal{A}_{\text{SoundnessFailure}}$  and obtains  $(\text{msg}, \text{tag}, \pi)$  and extracts the witness

$$w = (i, \text{pk}_i, v_i, \sigma_i, s_{\text{prf}}, \text{PRF.sk}_i, \text{path}_{\text{pk}}, \text{path}_{\vec{v}})$$

where  $i$  is some index of honest party.

- If  $i^* \neq i$ , the reduction simply aborts and output a random forgery  $(\text{msg} \parallel \text{tag}, \sigma_i)$  to the challenger. Otherwise, the reduction  $\mathcal{B}$  forwards a forgery of signature  $(\text{msg} \parallel \text{tag}, \sigma_i)$  to the challenger  $\mathcal{C}_{\text{sig}}$ .

Since  $P_i$  is some honest party in the set  $\mathcal{H}$ , which means the adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  has successfully forged a valid proof for an honest party without knowing the corresponding signature secret key  $\text{SIG.sk}_i$  with non-negligible probability  $p$ , thus the reduction  $\mathcal{B}$  can break the EUF-CMA unforgeability property with non-negligible probability  $p/|\mathcal{H}|$ , but this contradicts our security assumption.  $\square$

**Claim 3.** *Assuming that there exists an adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  that can forge a valid proof for some honest party with non-negligible probability, then we can build a reduction  $\mathcal{B}_{\text{hash}}$  that uses the adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  to find a collision of the collision-resistant hash function used in the Merkle tree with non-negligible probability.*

*Proof.* We describe the reduction  $\mathcal{B}_{\text{hash}}$  as follows. The reduction  $\mathcal{B}_{\text{hash}}$  takes input a hash key and the goal of it is to find two different paths  $\text{path}$  and  $\text{path}'$  from a Merkle tree root  $\text{rt}$  to a leaf. It proceeds as follows:

- Compute the simulated common reference string  $\text{crs}$  by computing  $(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda)$ .
- Generate public keys  $\text{pk}_i$  for all honest parties as in the previous hybrid argument and computes Merkle tree roots  $\text{rt}_{\text{pk}}$  and  $\text{rt}_{\vec{v}}$ . Note that the reduction knows the Merkle tree path  $\text{path}_{\text{pk}}$  from  $\text{rt}_{\text{pk}}$  to the leaf  $\text{pk}_i$  and the path  $\text{path}_{\vec{v}[i]}$  from  $\text{rt}_{\vec{v}}$  to the leaf  $\vec{V}[i]$  for each honest party  $P_i$ .
- It executes the EligibilityCheck phase and simulates the random oracle functionality.
- It runs the adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  and obtains  $(\text{msg} \parallel \text{tag}, \pi)$  and then extracts the witness

$$w = (i, \text{pk}_i, v_i, \sigma_i, s_{\text{prf}}, \text{PRF.sk}_i, \text{path}'_{\text{pk}}, \text{path}'_{\vec{v}})$$

- It outputs the Merkle tree root  $rt_{pk}$  and two different paths  $path_{pk}$  and  $path'_{pk}$  from the root to the public key  $pk_i$ .

Since the party  $P_i$  is an honest party, which means that the adversary  $\mathcal{A}_{\text{SoundnessFailure}}$  has successfully forged a proof that passed the verification check with non-negligible probability. This means that the reduction  $\mathcal{B}_{\text{hash}}$  can find two different paths  $path_{pk}$  and  $path'_{pk}$  with non-negligible probability, which means the reduction breaks the collision resistance property of Merkle tree and hence the collision resistance property of hash function. This contradicts to our assumption made. Also, note that the same argument also works when the reduction outputs the root  $rt_{\bar{v}}$  and two different paths  $path_{\bar{v}}$  and  $path'_{\bar{v}}$ .  $\square$

Therefore, assuming  $\mathcal{A}_{\text{SoundnessFailure}}$  can forge a valid proof for some honest party with non-negligible probability, then we can construct a reduction to break at least one of the following properties: security of trapdoor permutation, unforgeability of signature and collision resistance of hash function. However, this contradicts to the assumption we made. Therefore this completes the proof of the lemma.  $\square$

**Lemma 5.** *Assuming that the simulation of  $F_{RO}$  is correctly programmed “GetProofFailure” occurs with negligible probability.*

*Proof.* “GetProofFailure” is output only when  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  replies with (Declined, tag, msg), when queried with the message (CreateProof, tag, msg).

Note that  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  sends the Declined command only when  $T(P_i, \text{tag}) \neq 1$ .

The ideal functionality  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$  sets  $T(P_i, \text{tag}) = 1$  only if  $\text{Eligible}((P_i, \text{stake}_i), \text{tag}, r) = 1$ . This implies for  $P_i$ , the predicate Eligible returned 0 if it received Declined from the ideal functionality.

In  $\mathbf{H}_1$  we show that the the simulator creates a  $y$  for malicious parties such that they are eligible or ineligible according to the predicate Eligible. Therefore if an extracted witness has  $v_i$  such that  $P_i$  is eligible to speak for tag, then  $\text{Eligible}(y, (P_i, \text{stake}_i), \text{tag}) = 1$  and therefore the ideal functionality sets  $T(P_i, \text{tag}) = 1$ . This implies  $\mathcal{F}_{\text{Anon-Selection}}$  will not send back Declined. We thus arrive at a contradiction.

Therefore the “GetProofFailure” occurs only with negligible probability.  $\square$

**Lemma 6.** *Assuming pseudorandomness property of PRFs, the view of the adversary in hybrid  $\mathbf{H}_5$  is indistinguishable from the view of the adversary in hybrid  $\mathbf{H}_6$ .*

*Proof.* Assuming that there exists some adversary  $\mathcal{A}_{56}$  that can distinguish the transcripts of the protocol between hybrid  $\mathbf{H}_5$  and hybrid  $\mathbf{H}_6$ . We can construct a reduction  $\mathcal{B}_{\text{prf}}$  that uses  $\mathcal{A}_{56}$  as a subroutine to break the pseudorandomness property of pseudorandom function.  $\mathcal{B}_{\text{prf}}$  sends to the challenger  $\mathcal{C}_{\text{prf}}$  a message  $msg$  and receives back from the challenger (depending on the output of the coin ( $= b$ )) either a PRF evaluation on the message  $msg$  ( $b = 0$ ) or a uniformly random string ( $b = 1$ ), tossed by the challenger. The goal of the reduction is to guess the bit  $b$ .

$\mathcal{B}_{\text{prf}}$  proceeds as follows:

- Generate the common reference string by  $(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda)$  and forwards  $\text{crs}$  to  $\mathcal{A}_{56}$ .
- It executes the Initialization and EligibilityCheck phases as in the previous hybrids.
- In the CreateProof phase, the reduction  $\mathcal{B}_{\text{prf}}$  forwards the message  $v_i \parallel \text{tag}$  to the PRF challenger  $\mathcal{C}_{\text{prf}}$  and receives a string  $C$  from the challenger. Then the reduction prepares the NIZK statement  $\text{stmt} = (rt_{pk}, rt_{\bar{v}}, C_i^v = C, msg, \text{tag})$  and computes  $\pi_{\text{NIZK}} \leftarrow \mathcal{S}_2(\text{crs}, \text{stmt}, \tau, \text{ek})$ .
- It forwards  $(msg, \text{tag}, \pi)$  to  $\mathcal{A}_{56}$ , where  $\pi = (rt_{pk}, rt_{\bar{v}}, C_i^v, \pi_{\text{NIZK}})$  for all honest parties  $i$ .
- The adversary  $\mathcal{A}_{56}$  outputs a bit  $b'$  and the reduction  $\mathcal{B}_{\text{prf}}$  forwards it to the challenger  $\mathcal{C}_{\text{prf}}$ .

Note that when  $b = 0$ , the view of the adversaries is exactly the same as in the hybrid  $\mathbf{H}_5$ . When  $b = 1$ , the view of the adversaries is exactly the same as in the hybrid  $\mathbf{H}_6$ . Since we assumed the adversary  $\mathcal{A}_{56}$  can distinguish the transcripts of  $\pi_{56}$  protocol with non-negligible probability, then the reduction  $\mathcal{B}_{\text{prf}}$  can distinguish the PRF output from truly random string with non-negligible, which contradicts to pseudorandomness property of pseudorandom function as we assumed.  $\square$

**Lemma 7.** *Assuming the hiding property of commitment scheme  $\text{Com}$ , the view of the adversary in hybrid  $\mathbf{H}_6$  is indistinguishable from the view of the adversary in hybrid  $\mathbf{H}_7$ .*

*Proof.* Assuming that there exists an adversary  $\mathcal{A}_{67}$  that can distinguish the transcripts of  $\mathbf{H}_6$  and  $\mathbf{H}_7$  with non-negligible probability, then we construct a PPT reduction  $\mathcal{B}_{\text{hiding}}$  that uses  $\mathcal{A}_{67}$  as a subroutine to break the hiding property of the commitment scheme. The reduction  $\mathcal{B}_{\text{hiding}}$  sends the challenger  $\mathcal{C}_{\text{hiding}}$  two messages  $m_0$  and  $m_1$  and receives back as input a commitment  $C$ , which can be a commitment to  $m_0$  or  $m_1$  depending on the coin flipped by the challenger ( $b = 0$  or  $b = 1$  respectively) by  $\mathcal{C}_{\text{hiding}}$ . The goal of the reduction  $\mathcal{B}_{\text{hiding}}$  is to find the bit  $b$ . The reduction internally executes  $\mathcal{A}_{67}$ . The reduction  $\mathcal{B}_{\text{hiding}}$  proceeds as follows:

- Generate the simulated common reference string  $(\text{crs}, \tau, \text{ek}) \leftarrow \mathcal{S}_1(1^\lambda)$  and forwards  $\text{crs}$  to the adversary  $\mathcal{A}_{67}$ .
- In the **Initialization** phase, the reduction does the following. For each honest party  $i$ , he generates the trapdoor permutation public key  $\text{TRP.pk}_i$  and signature verification key  $\text{SIG.vk}_i$  as before, but in order to compute  $C_i^{\text{prf}}$ , he prepares two messages  $m_0 = \text{PRF.sk}_i$  and  $m_1 = 0^\lambda$  and forwards  $(m_0, m_1)$  to the hiding challenger  $\mathcal{C}_{\text{hiding}}$  and receives back a commitment  $C = \text{Com}(m_b; s_{\text{prf}})$ . Then  $\mathcal{B}_{\text{hiding}}$  sets  $C_i^{\text{prf}} = C$  and publish  $\text{pk}_i = (\text{TRP.pk}_i, \text{SIG.vk}_i, C_i^{\text{prf}})$ .
- The adversary  $\mathcal{A}_{67}$  is given  $C$  and it outputs a bit  $b'$  and the reduction  $\mathcal{B}_{\text{hiding}}$  outputs this bit  $b'$ . The adversary wins if  $b = b'$

Note that when  $b = 0$ , the view of adversary  $\mathcal{A}_{67}$  is exactly the same as in the hybrid  $\mathbf{H}_6$ . When  $b = 1$ , the view of adversary  $\mathcal{A}_{67}$  is exactly the same as in the hybrid  $\mathbf{H}_7$ . Since  $\mathcal{A}_{67}$  is able to distinguish the transcripts of  $\mathbf{H}_6$  and  $\mathbf{H}_7$  with non-negligible probability, it guesses  $b'$  correctly. This implies the reduction  $\mathcal{B}_{\text{hiding}}$  can break the hiding game of commitment scheme. This contradicts the hiding property of the commitment scheme that we assumed. This completes the proof of the lemma.  $\square$

This completes the proof of the theorem.  $\square$

## C The multi-stake ideal functionality

In this section we present an ideal functionality for anonymous lottery where parties are associated with multiple units of stake and not necessarily a single unit of stake.

The ideal functionality is parameterized by an Eligible predicate and maintains the following elements: (1) A global set of registered parties  $\mathcal{P} = ((P_1, \text{stake}_1), \dots, (P_n, \text{stake}_n))$ . (2) A table  $T$ , which has one row per party and a column for each  $\text{tag}$  given by parties when checking eligibility. The table stores a tuple  $(wt_i, wt'_i)$  of each party in each  $\text{tag}$ . (3) A list  $\mathcal{L}$ , to store a proof  $\pi$  corresponding to a message  $\text{msg}$  in some  $\text{tag}$ .

- Upon receiving  $(\text{EligibilityCheck}, \text{sid}, \text{tag})$  from a party  $P_i \in \mathcal{P}$  do the following :
  1. If  $P_i \in \mathcal{P}$  and  $T(P_i, \text{tag})$  is undefined, sample a random number  $r \in \{0, 1\}^\ell$  run  $\text{Eligible}(r, (P_i, \text{stake}_i), \text{tag})$  to get a weight value  $wt_i$ . Set  $T(P_i, \text{tag}) = (wt_i, wt'_i = wt_i)$
  2. Output  $(\text{EligibilityCheck}, \text{sid}, T(P_i, \text{tag}))$  to  $P_i$ .
- Upon receiving  $(\text{CreateProof}, \text{tag}, \text{msg}, wt_j)$  from  $P_i \in \mathcal{P}$ 
  1. Get  $(wt_i, wt'_i)$  from  $T(P_i, \text{tag})$ . If  $wt_i > 0$  and  $wt'_i - wt_j \geq 0$ , send  $(\text{Prove}, \text{tag}, \text{msg})$  to  $\mathcal{A}$  for each  $k \in [1, wt_j]$ . Else, send  $(\text{Declined}, \text{tag}, \text{msg})$  to  $P_i$ .
  2. Upon receiving  $(\text{Done}, \psi_k, \text{tag}, \text{msg})$  from  $\mathcal{A}$  for each  $k$ . Set  $\pi_k \leftarrow \psi_k$  and record  $(\pi_k, \text{tag}, \text{msg})$  in  $\mathcal{L}$  for each  $k \in [1, wt_j]$ . Send  $(\text{Proof}, \pi_k, \text{tag}, \text{msg})$  to  $P_i$  for each  $k \in [1, wt_j]$  and set  $wt'_i = wt'_i - wt_j$  in  $T(P_i, \text{tag})$
- Upon receiving  $(\text{Verify}, \pi, \text{tag}, \text{msg})$  from some party  $P'$ :
  1. If  $(\pi, \text{tag}, \text{msg}) \in \mathcal{L}$  output  $(\text{Verified}, (\pi, \text{tag}, \text{msg}), 1)$  to  $P'$ .
  2. If  $(\pi, \text{tag}, \text{msg}) \notin \mathcal{L}$ , send  $(\text{Verify}, (\pi, \text{tag}, \text{msg}))$  to  $\mathcal{A}$  and wait for a reply  $w$  from the adversary  $\mathcal{A}$ . Check if  $w$  is valid if yes :
    - Extract  $(P_i, \text{tag}, \text{msg})$  from  $w$  and check that  $T(P_i, \text{tag}) > 0$
    - If yes, store  $(\pi, \text{tag}, \text{msg})$  in the list  $\mathcal{L}$  and send  $(\text{Verified}, (\pi, \text{tag}, \text{msg}), 1)$  to  $P'$ .

If either of these checks are false output  $(\text{Verified}, (\pi, \text{tag}, \text{msg}), 0)$  to  $P'$ .

Unlike the lottery functionality of  $\mathcal{F}_{\text{Anon-Selection}}^{\text{Eligible}}$ , here parties receive a weight  $wt$  when they check their eligibility. This  $wt$  is the number of messages they are allowed to propose with a proof. The ideal functionality maintains a variable  $wt'_i$  for each party  $P_i$  such that that for each message sent in a  $\text{tag}$ , the functionality decrements  $wt'_i$  by 1 (as long as  $wt' > 0$ ). This ensures that a party cannot create proofs for  $> wt_i$  number of messages in one  $\text{tag}$ . The verification works like the single stake case, except that the functionality now checks if  $T(P_i, \text{tag}) > 0$  for a witness received from the adversary. We highlight the differences from the single stake ideal functionality in blue.