Body of European Regulators for Electronic Communications

BoR (16) 09



BEREC Workshop on "Regulatory Implications of SDN and NFV" - Introduction

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Background and goal

- In recent years the electronic communications sector together with the IT sector started to work very intensely on two new fundamental technological developments:
 - Software-Defined Networking (SDN) and
 - Network Functions Virtualisation (NFV)
- SDN and NFV
 - have the potential to completely change the way how networks are built and operated today and
 - are still in a state of dynamic developments
- At this workshop experts in the area of SDN and NFV will present their view on the regulatory impact that SDN and NFV will have
- The workshop will help BEREC to form it's opinion on the topic of SDN/NFV with regard to the Review of the Regulatory Framework



What is SDN?

- ONF has defined an SDN architecture
- The ONF/SDN architecture consists of 3 distinct layers
- The ONF/SDN architecture has 3 key attributes
 - Logically centralized intelligence
 - Programmability
 - Abstraction



Source: ONF (2014), p. 3



What is NFV? (1)

- NFV aims to transform the way that networks are built and operated
 - Evolving standard IT virtualisation technology
 - Consolidate many network equipment types onto "industry standard" high volume
 - servers,
 - switches and
 - storage
- Network functions are implemented in software



Source: NO ETSI NFV ISG (2012), p.5



What is NFV? (2)

- ETSI has defined a high-level NFV framework with 3 domains:
 - Virtualised Network Functions
 - NFV Infrastructure and
 - NFV Management and Orchestration
- A VNF is a virtualisation and software implementation of a network function
- The NFVI consists of the virtualisation layer and the hardware resources



Source: ETSI GS NFV 002 (2014), p. 10



What is the relation between SDN and NFV?

- NFV is highly complementary to SDN
- Ultimately, NFV and SDN will be subsumed into a unified software-based networking paradigm
- Network operators have the possibility to use both, SDN and NFV, and to combine SDN and NFV appropriately
- SDN and NFV are in a state of dynamic developments. This includes also how to combine SDN and NFV (see e.g. ETSI GS NFV-EVE 005)

Source: NO ETSI (2012), p. 5, NO ETSI (2014) p. 16.



Future network based on SDN and NFV



Source: Athur D. Little, Bell Labs (2015), p. 12



Benefits of SDN and NFV

SDN and NFV have the following benefits:*)

- A new dimension of programmability, automation, and network control Enables to build highly scalable, flexible networks
- Reduced equipment costs (CAPEX) and reduced power consumption (OPEX)
- Rapid innovation
- Targeted service introduction depending on geography or customer sets Services can be rapidly scaled up/down as required
- Optimizing network configuration and/or topology in near real time
- Much more efficient test and integration
- Further benefits

*) NO ETSI NFV ISG (2012), p. 8, ONF (2012), p. 2



Regulatory implications of SDN and NFV? (1)

- Will SDN and NFV enable fixed network access which gives alternative network operators more control over the network of the incumbent compared to current layer 2 wholesale access products?
- Will SDN and NFV enable or facilitate new forms of network interconnection based on which data (Ethernet) connections can be set up dynamically ondemand (similar to a phone call)?
- Will SDN and NFV enable further new forms of network access or network sharing?



Regulatory implications of SDN and NFV? (2)

- Will SDN and NFV have (further) impacts on the current value chain? Which?
- Will SDN and NFV have an impact on the relation between OTT players and telecommunications service providers? Which?
- Will SDN and NFV have further regulatory implications?



Agenda of the workshop

- Presentations of 3 standard development organisations
 - Open Networking Foundation (ONF)
 - ETSI NFV Industry Specification Group
 - MEF
- Presentations of 3 network operators
 - Colt, QSC and Telefonica
- Presentations of 3 vendors
 - Alcatel-Lucent, Fujitsu and Hewlett Packard
- Panel discussion



Thank you



Literature (1)

- Athur D. Little, Bell Labs (2015), Reshaping the future with NFV and SDN. The impact of new technologies on carriers and their networks, 2015
 - <u>http://sdn.ieee.org/images/pdf/adl_belllabs_2015_reshapingthefuture.pdf</u>
- ETSI GS NFV (2014), Network Functions Virtualisation (NFV); Architectural Framework, V1.2.1, Dec. 2014
 - <u>http://www.etsi.org/deliver/etsi_gs/NFV/001_099/002/01.02.01_60/gs_NFV002v010201p.pdf</u>
- Network operators (NO) of the ETSI NFV ISG (2012), Network Functions Virtualisation, White Paper, October 22-24, 2012
 - <u>https://portal.etsi.org/NFV/NFV_White_Paper.pdf</u>



Literature (2)

- Network operators (NO) of the ETSI NFV ISG (2014), Network Functions Virtualisation, White Paper, October 14-17, 2014
 - https://portal.etsi.org/Portals/0/TBpages/NFV/Docs/NFV_White_Paper3.pdf
- ONF (2012), Software-Defined Networking: The New Norm for Networks, White Paper, April 13, 2012
 - <u>https://www.opennetworking.org/images/stories/downloads/sdn-resources/white-papers/wp-sdn-newnorm.pdf</u>
- ONF (2014), OpenFlow-enabled SDN and Network Functions Virtualization, ONF Solution Brief, February 17, 2014
 - https://www.opennetworking.org/images/stories/downloads/sdn-resources/solutionbriefs/sb-sdn-nvf-solution.pdf