



Overview

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Licensing Requirements

For a complete explanation of Cisco NX-OS licensing recommendations and how to obtain and apply licenses, see the [Cisco NX-OS Licensing Guide](#).

VXLAN Overview

VXLAN is a MAC in IP/UDP(MAC-in-UDP) encapsulation technique with a 24-bit segment identifier in the form of a VXLAN ID. The larger VXLAN ID allows LAN segments to scale to 16 million in a cloud network. In addition, the IP/UDP encapsulation allows each LAN segment to be extended across existing Layer 3 networks making use of Layer 3 equal-cost multipath (ECMP).

Cisco Nexus 7000 switches are designed for hardware-based VXLAN function. It provides Layer 2 connectivity extension across the Layer 3 boundary and integrates between VXLAN and non-VXLAN infrastructures. This can enable virtualized and multi tenant data center designs over a shared common physical infrastructure.

VXLAN provides a way to extend Layer 2 networks across Layer 3 infrastructure using MAC-in-UDP encapsulation and tunneling. VXLAN enables flexible workload placements using the Layer 2 extension. It can also be an approach to building a multi tenant data center by decoupling tenant Layer 2 segments from the shared transport network.

When deployed as a VXLAN gateway, Cisco Nexus 7000 switches can connect VXLAN and classic VLAN segments to create a common forwarding domain so that tenant devices can reside in both environments.

VXLAN has the following benefits:

- Flexible placement of multi tenant segments throughout the data center.

It provides a way to extend Layer 2 segments over the underlying shared network infrastructure so that tenant workloads can be placed across physical pods in the data center.

- Higher scalability to address more Layer 2 segments.

VXLAN uses a 24-bit segment ID, the VXLAN network identifier (VNID). This allows a maximum of 16 million VXLAN segments to coexist in the same administrative domain. (In comparison, traditional VLANs use a 12-bit segment ID that can support a maximum of 4096 VLANs.)

- Utilization of available network paths in the underlying infrastructure.

VXLAN packets are transferred through the underlying network based on its Layer 3 header. It uses equal-cost multipath (ECMP) routing and link aggregation protocols to use all available paths.

There are two unicast modes in which VXLAN can run. They are Flood and Learn mode and MAC Distribution mode.

VXLAN Flood and Learn

VXLAN is MAC in IP/UDP encapsulation technique with a 24-bit segment identifier in the form of a VXLAN ID. The larger VXLAN ID allows LAN segments to scale to 16 million in a cloud network. In addition, the IP/UDP encapsulation allows each LAN segment to be extended across existing Layer 3 network. Traditionally with virtual VTEPs the only endpoints that can connect into VXLANs are physical or virtual connections. Physical servers cannot be in the VXLAN network. Routers or services that have traditional VLAN interfaces cannot be used by VXLAN-based networks.

The VXLAN flood and learn gateway feature provides solution to this problem.

VXLAN flood and learn gateway enables the following:

- Host learning on VTEPs based on flood and learn behaviour
- VTEPs join underlay IP multicast groups based on VNI ‘membership’
- If VNI exists behind VTEP, the packet flow joins the corresponding IP multicast group in underlay
- ARP (and other broadcast / unknown unicast / multicast traffic) in a given VNI flooded to all interested VTEPs
- Gateway functions centralised in VXLAN flood and learn
- Cisco Nexus 7000 / 7700 vPC pair with L2 + L3 VXLAN gateway capabilities
- vPC provides MAC state synchronization and active-active HSRP forwarding
- Redundant VTEPs share Anycast VTEP IP address in underlay
- VXLAN bridging occurs directly between VTEPs

VXLAN MAC Distribution

In VXLAN MAC Distribution mode, head-end replication is used to deliver broadcast and multicast frames to the entire network. MAC learning based on data plane activity is not performed, instead the central control

functionality of the Nexus 1000V (virtual supervisor module (VSM)) is used to keep track of all MAC addresses in the domain and send this information to the VTEPs on the system.

VXLAN Tunnel Endpoint

VXLAN uses VXLAN tunnel endpoint (VTEP) devices to map tenants' end devices to VXLAN segments and to perform VXLAN encapsulation and de-encapsulation. Each VTEP function has two interfaces: One is a switch interface on the local LAN segment to support local endpoint communication through bridging, and the other is an IP interface to the transport IP network.

The IP interface has a unique IP address that identifies the VTEP device on the transport IP network known as the infrastructure VLAN. The VTEP device uses this IP address to encapsulate Ethernet frames and transmits the encapsulated packets to the transport network through the IP interface. A VTEP device also discovers the remote VTEPs for its VXLAN segments and learns remote MAC Address-to-VTEP mappings through its IP interface.

The VXLAN segments are independent of the underlying network topology; conversely, the underlying IP network between VTEPs is independent of the VXLAN overlay. It routes the encapsulated packets based on the outer IP address header, which has the initiating VTEP as the source IP address and the terminating VTEP as the destination IP address.

Virtual Network Identifier (VNI)

In RFC 4364 L3VPNs, a 20-bit MPLS label that is assigned to a VPN route determines the forwarding behavior in the data plane for traffic following that route. These labels also serve to distinguish the packets of one VPN from another.

On the other hand, the various IP overlay encapsulations support a virtual network identifier (VNI) as part of their encapsulation format.

A VNI is a value that at a minimum can identify a specific virtual network in the data plane. It is typically a 24-bit value which can support up to 16 million individual network segments.

There are two useful requirements regarding the scope of these VNIs.

- Network-wide scoped VNIs

Depending on the provisioning mechanism used within a network domain such as a data center, the VNI may have a network scope, where the same value is used to identify the specific Layer-3 virtual network across all network edge devices where this virtual network is instantiated. This network scope is useful in environments such as within the data center where networks can be automatically provisioned by central orchestration systems.

Having a uniform VNI per VPN is a simple approach, while also easing network operations (i.e. troubleshooting). It also means simplifies requirements on network edge devices, both physical and virtual devices. A critical requirement for this type of approach is to have a very large amount of network identifier values given the network-wide scope.

- Locally assigned VNIs

In an alternative approach supported as per RFC 4364, the identifier has local significance to the network edge device that advertises the route. In this case, the virtual network scale impact is determined on a per node basis, versus a network basis.

When it is locally scoped, and uses the same existing semantics of a MPLS VPN label, the same forwarding behaviors as specified in RFC 4364 can be employed. It thus allows a seamless stitching together of a VPN that spans both an IP based network overlay and a MPLS VPN.

This situation can occur for instance at the data center edge where the overlay network feeds into an MPLS VPN. In this case, the identifier may be dynamically allocated by the advertising device.

It is important to support both cases, and in doing so, ensure that the scope of the identifier be clear and the values not conflict with each other.

It should be noted that deployment scenarios for these virtual network overlays are not constrained to the examples used above to categorize the options. For example, a virtual network overlay may extend across multiple data centers.

- Global unicast table

The overlay encapsulation can also be used to support forwarding for routes in the global or default routing table. A VNI value can be allocated for the purpose as per the options mentioned above.

VXLAN BGP EVPN Control Plane

The EVPN overlay specifies adaptations to the BGP MPLS-based EVPN solution to enable it to be applied as a network virtualization overlay with VXLAN encapsulation where:

- PE node role described in BGP MPLS EVPN is equivalent to VTEP/network virtualization edge (NVE) device.
- VTEP information is distributed via BGP.
- VTEPs use control plane learning/distribution via BGP for remote MAC addresses instead of data plane learning.
- Broadcast, unknown unicast and multicast (BUM) data traffic is sent using a shared multicast tree.
- BGP route reflector (RR) is used to reduce the full mesh of BGP sessions among VTEPs to a single BGP session between a VTEP and the RR.
- Route filtering and constrained route distribution are used to ensure that the control plane traffic for a given overlay is only distributed to the VTEPs that are in that overlay instance.
- Host (MAC) mobility mechanism to ensure that all the VTEPs in the overlay instance know the specific VTEP associated with the MAC.
- Virtual network identifiers (VNIs) are globally unique within the overlay.

The EVPN overlay solution for VXLAN can also be adapted to enable it to be applied as a network virtualization overlay with VXLAN for Layer 3 traffic segmentation. The adaptations for Layer 3 VXLAN are similar to L2 VXLAN except the following:

- VTEPs use control plane learning/distribution via BGP of IP addresses (instead of MAC addresses)
- The virtual routing and forwarding instance is mapped to the VNI
- The inner destination MAC address in the VXLAN header does not belong to the host but to the receiving VTEP that does the routing of the VXLAN payload. This MAC address is distributed via BGP attribute along with EVPN routes.



Note IP hosts have an associated MAC address, coexistence of both Layer 2 VXLAN and Layer 3 VXLAN overlays are supported. Additionally, the Layer 2 VXLAN overlay will also be used to facilitate communication between non-IP based (Layer 2 only) hosts.
