

# 1 Introduction to VPN

## VPN Concepts, Tips, and Techniques

There have been many improvements in the Internet including Quality of Service, network performance, and inexpensive technologies, such as DSL. But one of the most important advances has been in Virtual Private Networking (VPN) Internet Protocol security (IPSec). IPSec is one of the most complete, secure, and commercially available, standards-based protocols developed for transporting data.

### What is a VPN?

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A VPN is a shared network where private data is segmented from other traffic so that only the intended recipient has access. The term VPN was originally used to describe a secure connection over the Internet. Today, however, VPN is also used to describe private networks, such as Frame Relay, Asynchronous Transfer Mode (ATM), and Multiprotocol Label Switching (MPLS).

A key aspect of data security is that the data flowing across the network is protected by encryption technologies. Private networks lack data security, which allows data attackers to tap directly into the network and read the data. IPSec-based VPNs use encryption to provide data security, which increases the network's resistance to data tampering or theft.

IPSec-based VPNs can be created over any type of IP network, including the Internet, Frame Relay, ATM, and MPLS, but only the Internet is ubiquitous and inexpensive.

VPNs are traditionally used for:

- **Intranets:** Intranets connect an organization's locations. These locations range from the headquarters offices, to branch offices, to a remote employee's home. Often this connectivity is used for e-mail and for sharing applications and files. While Frame Relay, ATM, and MPLS accomplish these tasks, the shortcomings of each limits connectivity. The cost of connecting home users is also very expensive compared to Internet-access technologies, such as DSL or cable. Because of this, organizations are moving their networks to the Internet, which is inexpensive, and using IPSec to create these networks.

- **Remote Access:** Remote access enables telecommuters and mobile workers to access e-mail and business applications. A dial-up connection to an organization's modem pool is one method of access for remote workers, but is expensive because the organization must pay the associated long distance telephone and service costs. Remote access VPNs greatly reduce expenses by enabling mobile workers to dial a local Internet connection and then set up a secure IPSec-based VPN communications to their organization.
- **Extranets:** Extranets are secure connections between two or more organizations. Common uses for extranets include supply-chain management, development partnerships, and subscription services. These undertakings can be difficult using legacy network technologies due to connection costs, time delays, and access availability. IPSec-based VPNs are ideal for extranet connections. IPSec-capable devices can be quickly and inexpensively installed on existing Internet connections.

## What Is IPSec and How Does It Work?

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IPSec is an Internet Engineering Task Force (IETF) standard suite of protocols that provides data authentication, integrity, and confidentiality as data is transferred between communication points across IP networks. IPSec provides data security at the IP packet level. A packet is a data bundle that is organized for transmission across a network, and includes a header and payload (the data in the packet). IPSec emerged as a viable network security standard because enterprises wanted to ensure that data could be securely transmitted over the Internet. IPSec protects against possible security exposures by protecting data while in transit.

## IPSec Security Features

IPSec is the most secure method commercially available for connecting network sites. IPSec was designed to provide the following security features when transferring packets across networks:

- **Authentication:** Verifies that the packet received is actually from the claimed sender.
- **Integrity:** Ensures that the contents of the packet did not change in transit.
- **Confidentiality:** Conceals the message content through encryption.

## IPSec Components

IPSec contains the following elements:

- **Encapsulating Security Payload (ESP):** Provides confidentiality, authentication, and integrity.
- **Authentication Header (AH):** Provides authentication and integrity.
- **Internet Key Exchange (IKE):** Provides key management and Security Association (SA) management.

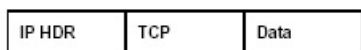
## Encapsulating Security Payload (ESP)

ESP provides authentication, integrity, and confidentiality, which protect against data tampering and, most importantly, provide message content protection.

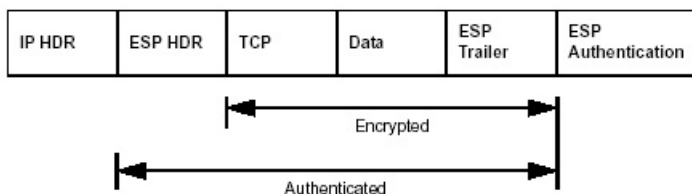
IPSec provides an open framework for implementing industry standard algorithms, such as SHA and MD5. The algorithms IPSec uses produce a unique and unforgeable identifier for each packet, which is a data equivalent of a fingerprint. This fingerprint allows the device to determine if a packet has been tampered with. Furthermore, packets that are not authenticated are discarded and not delivered to the intended receiver.

ESP also provides all encryption services in IPSec. Encryption translates a readable message into an unreadable format to hide the message content. The opposite process, called decryption, translates the message content from an unreadable format to a readable message. Encryption/decryption allows only the sender and the authorized receiver to read the data. In addition, ESP has an option to perform authentication, called ESP authentication. Using ESP authentication, ESP provides authentication and integrity for the payload and not for the IP header.

*Original Packet*



*Packet with IPSec Encapsulating Security Payload (ESP)*



**Figure 1-1: Original packet and packet with IPSec Encapsulated Security Payload**

The ESP header is inserted into the packet between the IP header and any subsequent packet contents. However, because ESP encrypts the data, the payload is changed. ESP does not encrypt the ESP header, nor does it encrypt the ESP authentication.

## Authentication Header (AH)

AH provides authentication and integrity, which protect against data tampering, using the same algorithms as ESP. AH also provides optional anti-replay protection, which protects against unauthorized retransmission of packets. The authentication header is inserted into the packet between the IP header and any subsequent packet contents. The payload is not touched.

Although AH protects the packet's origin, destination, and contents from being tampered with, the identity of the sender and receiver is known. In addition, AH does not protect the data's confidentiality. If data is intercepted and only AH is used, the message contents can be read. ESP protects data confidentiality. For added protection in certain cases, AH and ESP can be used together. In the following table, IP HDR represents the IP header and includes both source and destination IP addresses.

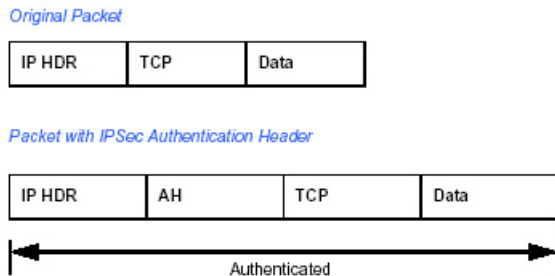


Figure 1-2: Original packet and packet with IPSec Authentication Header

## IKE Security Association

IPSec introduces the concept of the Security Association (SA). An SA is a logical connection between two devices transferring data. An SA provides data protection for unidirectional traffic by using the defined IPSec protocols. An IPSec tunnel typically consists of two unidirectional SAs, which together provide a protected, full-duplex data channel.

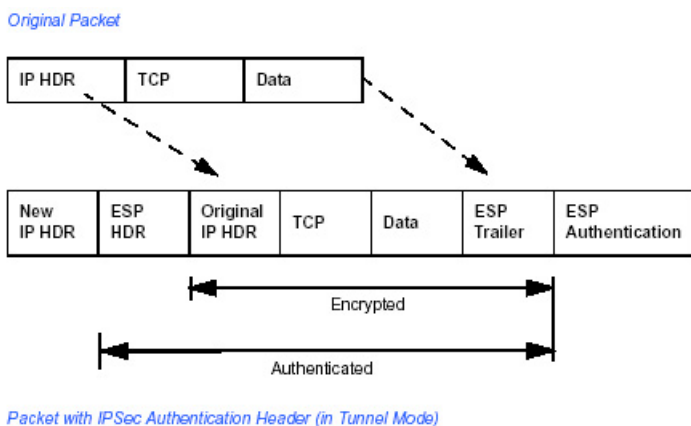
The SAs allow an enterprise to control exactly what resources may communicate securely, according to security policy. To do this an enterprise can set up multiple SAs to enable multiple secure VPNs, as well as define SAs within the VPN to support different departments and business partners.

## Mode

SAs operate using modes. A mode is the method in which the IPSec protocol is applied to the packet. IPSec can be used in tunnel mode or transport mode. Typically, the tunnel mode is used for gateway-to-gateway IPSec tunnel protection, while transport mode is used for host-to-host IPSec tunnel protection. A gateway is a device that monitors and manages incoming and outgoing network traffic and routes the traffic accordingly. A host is a device that sends and receives network traffic.

- Transport Mode:** The transport mode IPSec implementation encapsulates only the packet's payload. The IP header is not changed. After the packet is processed with IPSec, the new IP packet contains the old IP header (with the source and destination IP addresses unchanged) and the processed packet payload. Transport mode does not shield the information in the IP header; therefore, an attacker can learn where the packet is coming from and where it is going to. The previous packet diagrams show a packet in transport mode.
- Tunnel Mode:** The tunnel mode IPSec implementation encapsulates the entire IP packet. The entire packet becomes the payload of the packet that is processed with IPSec. A new IP header is created that contains the two IPSec gateway addresses. The gateways perform the encapsulation/decapsulation on behalf of the hosts. Tunnel mode ESP prevents an attacker from analyzing the data and deciphering it, as well as knowing who the packet is from and where it is going.

**Note:** AH and ESP can be used in both transport mode or tunnel mode.



**Figure 1-3: Original packet and packet with IPSec ESP in Tunnel mode**

## Key Management

IPSec uses the Internet Key Exchange (IKE) protocol to facilitate and automate the SA setup and the exchange of keys between parties transferring data. Using keys ensures that only the sender and receiver of a message can access it.

IPSec requires that keys be re-created, or refreshed, frequently so that the parties can communicate securely with each other. IKE manages the process of refreshing keys; however, a user can control the key strength and the refresh frequency. Refreshing keys on a regular basis ensures data confidentiality between sender and receiver.

## Understand the Process Before You Begin

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This TechNote provides case studies on how to configure a secure IPSec VPN tunnels. This document assumes the reader has a working knowledge of NETGEAR management systems.

NETGEAR is a member of the VPN Consortium, a group formed to facilitate IPSec VPN vendor interoperability. The VPN Consortium has developed specific scenarios to aid system administrators in the often confusing process of connecting two different vendor implementations of the IPSec standard. The case studies in this TechNote follow the addressing and configuration mechanics defined by the VPN Consortium. Additional information regarding inter-vendor interoperability may be found at <http://www.vpnc.org/interop.html>.

It is a good idea to gather all the necessary information required to establish a VPN before you begin the configuration process. You should understand whether the firmware is up to date, all of the addresses that will be necessary, and all of the parameters that need to be set on both sides. Try to understand any incompatibilities before you begin, so that you minimize any potential complications which may arise from normal firewall or WAN processes.

If you are not a full-time system administrator, it is a good idea to familiarize yourself with the mechanics of a VPN. The brief description in this TechNote will help. Other good sources include:

- The NETGEAR VPN Tutorial – [http://www.netgear.com/planetvpn/pvpn\\_2.html](http://www.netgear.com/planetvpn/pvpn_2.html)
- The VPN Consortium – <http://www.vpnc.org/>

## VPN Process Overview

Even though IPSec is standards-based, each vendor has its own set of terms and procedures for implementing the standard. Because of these differences, it may be a good idea to review some of the terms and the generic processes for connecting two gateways before diving into to the specifics.

## Network Interfaces and Addresses

The VPN gateway is aptly named because it functions as a “gatekeeper” for each of the computers connected on the Local Area Network behind it.

In most cases, each Gateway will have a “public” facing address (WAN side) and a “private” facing address (LAN side). These addresses are referred to as the “network interface” in documentation regarding the construction of VPN communication. Please note that the addresses used in the example.

### Interface Addressing

This TechNote uses example addresses provided the VPN Consortium. It is important to understand that you will be using addresses specific to the devices that you are attempting to connect via IPSec VPN.

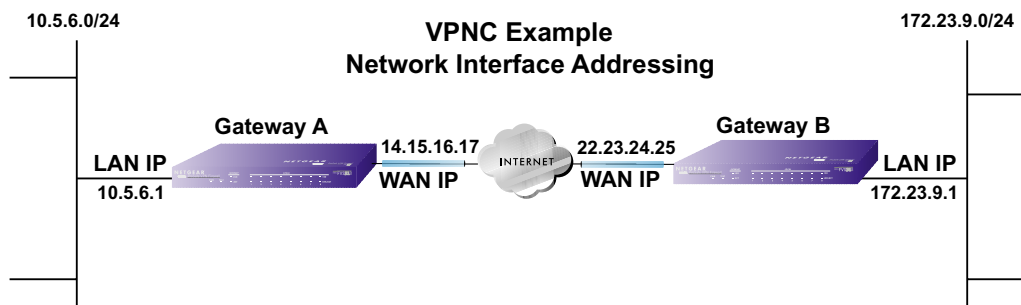


Figure 1-4: VPNC Example Network Interface Addressing

It is also important to make sure the addresses do not overlap or conflict. That is, each set of addresses should be separate and distinct.

**Table 1-1. WAN (Internet/Public) and LAN (Internal/Private) Addressing**

Gateway	LAN or WAN	VPNC Example Address
Gateway A	LAN (Private)	10.5.6.1
Gateway A	WAN (Public)	14.15.16.17
Gateway B	LAN (Private)	22.23.24.25
Gateway B	WAN (Public)	172.23.9.1

It will also be important to know the subnet mask of both gateway LAN Connections. Use the worksheet in Appendix A to gather the necessary address and subnet mask information to aid in the configuration and troubleshooting process.

**Table 1-2. Subnet Addressing**

Gateway	LAN or WAN	Interface Name	Example Subnet Mask
Gateway A	LAN (Private)	Subnet Mask A	255.255.255.0
Gateway B	LAN (Private)	Subnet Mask B	255.255.255.0

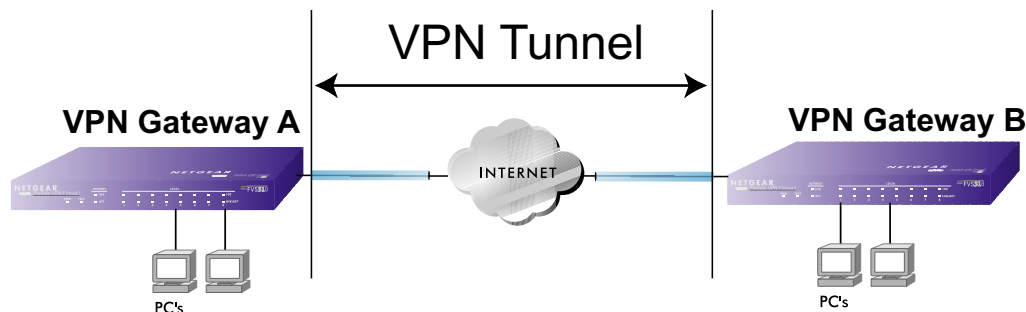
## Firewalls

It is important to understand that many gateways are also firewalls. VPN tunnels cannot function properly if firewall settings disallow all incoming traffic. Please refer to the firewall instructions for both gateways to understand how to open specific protocols, ports, and addresses that you intend to allow.

## Setting Up a VPN Tunnel Between Gateways

A SA, frequently called a tunnel, is the set of information that allows two entities (networks, PCs, routers, firewalls, gateways) to “trust each other” and communicate securely as they pass information over the Internet.

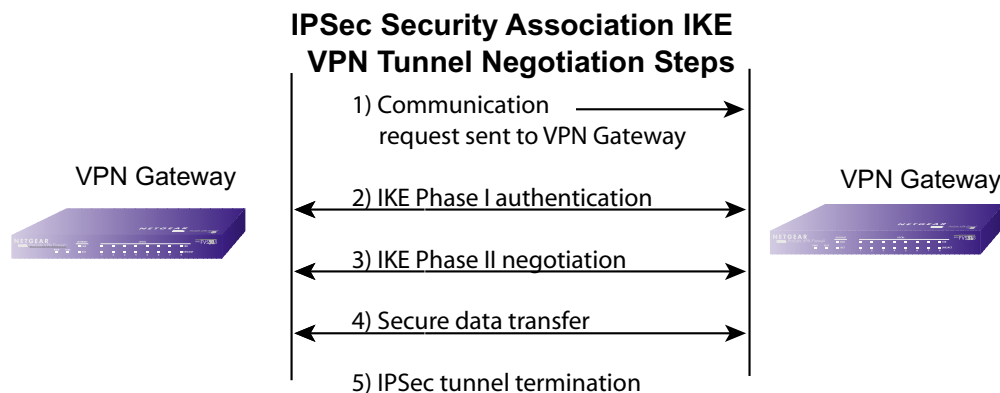




**Figure 1-5: VPN Tunnel SA**

The SA contains all the information necessary for gateway A to negotiate a secure and encrypted communication stream with gateway B. This communication is often referred to as a “tunnel.” The gateways contain this information so that it does not have to be loaded onto every computer connected to the gateways.

Each gateway must negotiate its Security Association with another gateway using the parameters and processes established by IPSec. As illustrated below, the most common method of accomplishing this process is via the Internet Key Exchange (IKE) protocol which automates some of the negotiation procedures. Alternatively, you can configure your gateways using manual key exchange, which involves manually configuring each parameter on both gateways.



**Figure 1-6: IPSec SA negotiation**

1. **The IPSec software on Host A initiates the IPSec process in an attempt to communicate with Host B.** The two computers then begin the Internet Key Exchange (IKE) process.

## 2. IKE Phase I.

- a. The two parties negotiate the encryption and authentication algorithms to use in the IKE SAs.
- b. The two parties authenticate each other using a predetermined mechanism, such as preshared keys or digital certificates.
- c. A shared master key is generated by the Diffie-Hellman Public key algorithm within the IKE framework for the two parties. The master key is also used in the second phase to derive IPSec keys for the SAs.

## 3. IKE Phase II.

- a. The two parties negotiate the encryption and authentication algorithms to use in the IPSec SAs.
  - b. The master key is used to derive the IPSec keys for the SAs. Once the SA keys are created and exchanged, the IPSec SAs are ready to protect user data between the two VPN gateways.
4. **Data transfer.** Data is transferred between IPSec peers based on the IPSec parameters and keys stored in the SA database.
5. **IPSec tunnel termination.** IPSec SAs terminate through deletion or by timing out.

# VPNC IKE Security Parameters

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It is important to remember that both gateways must have the identical parameters set for the process to work correctly. The settings in these TechNote examples follow the examples given for Scenario 1 of the VPN Consortium.

## VPNC IKE Phase I Parameters

The IKE Phase 1 parameters used:

- Main mode
- TripleDES
- SHA-1
- MODP group 1
- pre-shared secret of "hr5xb8416aa9r6"
- SA lifetime of 28800 seconds (eight hours)

## **VPNC IKE Phase II Parameters**

The IKE Phase 2 parameters used in Scenario 1 are:

- TripleDES
- SHA-1
- ESP tunnel mode
- MODP group 1
- Perfect forward secrecy for rekeying
- SA lifetime of 28800 seconds (one hour)

## **Testing and Troubleshooting**

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Once you have completed the VPN configuration steps you can use PCs, located behind each of the gateways, to ping various addresses on the LAN-side of the other gateway.

You can troubleshoot connections using the VPN status and log details on the Netgear gateway to determine if IKE negotiation is working. Common problems encountered in setting up VPNs include:

- Parameters may be configured differently on Gateway A vs. Gateway B.
- Two LANs set up with similar or overlapping addressing schemes.
- So many required configuration parameters mean errors such as mistyped information or mismatched parameter selections on either side are more likely to happen.

