

Telecoms Supply Chain Review

TERMS OF REFERENCE

Context

The Government's Future Telecoms Infrastructure Review ([FTIR](#)) set out a long-term, national strategy for world-class digital connectivity. The UK telecoms market is undergoing a transition to full fibre and 5G mobile networks. This will involve significant, long-term investment by network operators, and the establishment of new supply chain arrangements. As critical national infrastructure (CNI), it is important that the Government is reassured of the supply arrangements underpinning telecoms and that an effective framework is in place to ensure:

- the security and resilience of UK telecoms networks and services; and
- the quality, availability and long-term cost of telecoms equipment.

Review approach

The review will consider both market incentives and security risks, likely future scenarios, and appropriate regulatory and policy levers. The review will involve several work-streams, including:

- **Economic analysis** to understand the supply chain and the incentives of buyers and vendors.
- **Technical analysis** to understand network security risks and vulnerabilities, and future security requirements.
- **Sector intelligence** to understand the approach taken by operators and vendors to network security and resilience; and
- **International engagement** to understand the different approaches being taken, given the global nature of telecoms supply chain arrangements.

Technical scope

The review is focused on telecoms CNI supporting the public telecommunications networks and services, as defined in the Communications Act 2003. It will assess those parts of the supply chain that are relevant to mobile and fixed network security, with a focus on supplier arrangements and procurement drivers in the access and core. It will focus on terrestrial infrastructure and suppliers most critical to the operation of the UK's telecommunications networks, including:

- access network functions,
- core network functions,
- transport & transmission functions,
- internet exchanges (INX), and
- management systems (specifically operational support systems (OSS) and business support systems (BSS)).

For each area consideration will be given to the in-life support arrangements and the underlying infrastructure including hypervisors and virtualisation. The review will not focus on consumer goods (i.e. user devices).

Output

The review will inform policy proposals for consideration.

Timescale

The review will aim to conclude in Spring 2019.

November 2018