What is TTIP? The controversial trade deal proposal explained

The EU claims it will create millions of jobs and bring down the cost of living - but others say it is a threat to public services such as the NHS

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If you are not yet familiar with the acronym TTIP it is likely you soon will be. The Transatlantic Trade and Investment Partnership is a proposed trade agreement and the subject of an ongoing series of negotiations between the EU and US aimed at creating the world's biggest free trade zone spanning the north Atlantic.

It would dwarf all past free trade deals: the European commission reckons it could boost the size of the EU economy by €120bn (£85bn) - equal to 0.5% of GDP - and the US economy by €95bn - 0.4% of GDP.

It would create several million jobs dependent on exports, Brussels says, while consumers would enjoy cheaper products and services. The average European household of four would be around €500 a year better off as a result of wage increases and price reductions, according to the study commissioned from the Centre for Economic Policy Research in 2013.

The plan is to cut tariff barriers - levies imposed to control cross-border trade - to zero and other non-tariff barriers by 25-50%. The study insists this is a realistic prospect. The business sectors that would benefit most include industries based around metal products, processed food and chemicals, and especially the motor industry.

In the UK (and elsewhere), the main beneficiaries would be big businesses, as smaller firms are less likely to trade outside Britain. The UK could benefit to the tune of £10bn, which means the average household would be £400 a year better off.

The main aim of TTIP is to reduce regulatory barriers to trade, in areas ranging from food safety law to environmental rules and banking regulations. Opponents argue it will water down important EU regulations.

Food safety has become a major stumbling block in the negotiations as both sides prepare for the latest round - the 10th - which takes place from 13 to 17 July in Brussels.

The talks have been conducted largely in secret, but opposition to TTIP is growing on the ground. More than 2 million people in Europe have signed an online petition against the proposed deal. Campaigners have been outspoken about TTIP's potential dangers and have painted it as a threat to European democracy.

In Britain, MPs on the all-party business, innovations and skills committee have denounced the government's firm support for TTIP amid fears for the NHS and other public services.

Concerns are mounting that TTIP could lead to more privatisation, with the prospect of US corporations providing vital UK public services such as transport, education, water and health.

As highlighted in this Guardian video, another major concern is whether standards will drop. For example, the EU bans cosmetics tested on animals but the US does not. Another question is what happens if EU countries want some protection, for instance Italy for its Parma ham, and the UK for its pork pies.

One of the most controversial elements of the trade proposal is the Investor State Dispute Settlement (ISDS) provision. ISDS provisions have been included in many trade deals since the 1980s, to encourage overseas investment in poorer countries. It means private investors can ask a tribunal of international arbitrators to judge if a government has treated them unfairly - and can get compensation.

Over the past decade some big, mainly American companies, such as tobacco conglomerate Philip Morris, have used ISDS to claim rights. The provision would in theory allow private investors to sue governments for the loss of future profits due to decisions made by national parliaments. Critics say it could be used to attack the UK's NHS by making privatisations of specific services harder to reverse.