Castro Marim is located in the south-eastern corner of Portugal, very close to the Spanish border, alongside the Guadiana River. The wetland is a complex of salt marsh, saltpans, creeks and dry areas of schist soils, red clay, arenite and sand, as well as man-made salinas on the western side of the river. This unique environment renders the area an ideal place for the concentration of many species, most of which bear evidence of strong saline influences and adaptation to a long hot and dry summer season. The wetland plays an important role in sustaining the balance of underground water tables in the region. It moderates the disastrous effects of the floods from the Guadiana River and assists freshwater retention in one of the driest areas of Portugal.

The wetland bears cultural evidence of a plethora of civilizations. The remains of the first settlements date from the Neolithic Period (approximately 5000 BC). During that time, the fortification itself was much nearer to the sea than it is now and, according to geological research, it was considered an island surrounded by sea.

Being a port and offering shelter to the ships that sailed up the Guadiana River transporting copper mined from Alcoutim and Mértola, the site contains traces of the Phoenician and Roman presence. Besides its strategic position along the river, Castro Marim was also connected to Lisbon by a Roman road parallel to the Guadiana, adding therefore its geopolitical importance. During the time of the Moorish occupation the site was fortified, laying the foundations for its present structure. The fortified wall that surrounded the medieval town on top of the hill must date to the 13th-14th centuries. The headquarters of the Order of Christ during the reign of King Dinis (1261-1325 AD) were hosted in the Castro Marim.
The saltpans bordering Castro Marim are centuries old and locals have exploited them for hundreds of years, using traditional methods for the extraction of salt. The larger part of the salt flats is natural, but vast areas were widely transformed to profit from the commercial production of salt in more recent times. In addition, many traditional salinas have been converted to fish farms, posing threats to the integrity of the site. In the past, locals were also employed in the pottery production of tiles and bricks, milling (tidal and wind milling), lime fabrication and handicrafts, traditional land cultivation and fishing. Currently, the main farming activity is the cultivation of fruit trees and, in the proximity of the wetland, the cultivation of non-irrigated orchards (almond, carob and fig trees).

Although the area has suffered several long periods of population decline, today the situation has changed. The site is populated and intensive agriculture, fish farming, tourism and recreational activities are carried out. This economic boom, however, came at a certain environmental cost.